

The City Council of the City of Charlotte, North Carolina convened for a Dinner Briefing on Monday, January 11, 2016 at 5:12 p.m. in Room 267 of the Charlotte-Mecklenburg Government Center with Mayor Jennifer Roberts presiding. Councilmembers present were Al Austin, John Autry, Ed Driggs, Julie Eiselt, Claire Fallon, Patsy Kinsey, Vi Lyles, LaWana Mayfield, James Mitchell, Greg Phipps and Kenny Smith.

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ITEM NO. 1: MAYOR AND COUNCIL CONSENT QUESTIONS

Councilmember Kinsey asked for additional information on Item No. 26, Hawthorne and Central; I don't have to know it tonight, but I would like to know.

Mayor Roberts said do you want to pull it and vote on it separately or just want to have information on that?

Ms. Kinsey said just information.

Councilmember Fallon said on Item No. 22; would you find out how much the Fire Department had to pay back on that grant and I would want the answer within a week or so; and what would happen with the next grant. Will they have to pay that back or are they going to do it over a region like they are supposed to? I would like to know how much they had to pay back and I need to know where the money came from, and how much it was and why.

Mayor Roberts said are you ready to vote on it tonight once you get that information?

Ms. Fallon said yes I'm ready to vote tonight.

Councilmember Smith said Item No. 23 for a separate vote.

Councilmember Phipps said we have an item on the Policy Agenda, Item No. 15 and I would like to make a motion that we defer this item to our next meeting. We have talked about this and we had a public hearing last fall and it has gone back to the Budget Committee. We vetted it and voted unanimously to go forward with it but in view of tonight's agenda. I thought it would be appropriate to defer it to the next business meeting.

Motion was made by Councilmember Phipps, seconded by Councilmember Smith, and carried unanimously to defer Item No. 15, Amend Stormwater Ordinance, to their next meeting.
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Mayor Roberts said Item No. 15 is removed from this agenda and we will take it up at the next one.

City Clerk Stephanie Kelly said Item Nos. 51, 52, and 53 were pulled by staff; No. 51 has been settled and No. 52 and 53 have been deferred.

Ms. Kelly said I would like to introduce Kay Golden who has been in our office for about three weeks; she is our new Boards and Commissions Clerk. She takes Khadya Hale's place who has moved on to other ventures; so Kay is now working with us and I wanted to introduce her to all of you. If you have questions about Boards and Commission she will be your go to person.

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ITEM NO. 2: MANAGED LANES STRATEGY FOR CHARLOTTE

Director of Transportation Danny Pleasant said this is a hot topic on HOT (High Occupancy Toll) Lanes. We have some pretty important people in the room tonight; everyone here is important but I wanted to point out Transportation Chair Ned Curin is here this evening with the Secretary of Transportation for North Carolina, Nick Tennyson is here this evening and we have Norm Steinmann at the table and Debra Campbell, of course you know, have been working very

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diligently on putting this presentation together and all the information that you received over the last several days answering your questions about our Managed Lanes Strategy in the area.

I want to start just overviews what we plan to talk about tonight. The first thing we want to talk about is the considerable work the Transportation and Planning Committee have put into reviewing our Managed Lanes Strategy over the last several months, provide an overview of why managed lanes has remained in our recommended plan and adopted plans for several years now and describe how those managed lanes would be implemented and some of the high priority road corridors in our region. With the charge that we have before us we need to talk about what happens if we choose to reverse course on our Managed Lanes Strategy and go in a different direction.

The work of the Transportation and Planning Committee started back in September 2014 when former Mayor Clodfelter recognized that there were some questions and some controversy stirring around the Managed Lane Strategy and on the heels of the Charlotte Regional Transportation Planning Organization or CRTPO to adopt the TIP that included some managed lanes projects and the Mayor at the time asked the Transportation and Planning Committee to investigate these topics and to talk more about these topics; how the HOT lanes will function in Charlotte and how design operations and funding decisions are made and how these types of projects would complement our land use and transportation goals and really get some clarity on the roles of the City, NC-DOT and CRTPO and how they make their decisions and what their roles in planning and any other procedural matters or questions of the Committee might have in front of us.

After meeting three times and discussing this and on the fourth time getting to a point where the Committee saw the staff report, considered the staff report and then voted 3-2 to affirm the report and the managed lanes strategy. That was on January 4, 2016 when they received that and considered as part of the managed lanes strategy projects that are programmed for I-485 South, the southern crescent, US-74 Independence Boulevard and both the north and south segments of I-77. We planned for the future for transportation in Charlotte for a very long time; in the 1990's for example we started forming up the centers, corridors and wedges growth strategy that you are so familiar with and that land use decision really informed where we make investments, which corridors we make investment. It informed the idea around public transportation and in 1998 you remember the sales tax referendum passed and starting funding expansion of public transportation in the area. The 1990's the City Council decided with the new development sidewalks should be built on both sides of the streets, something that seems kind of simple now but was important at the time. In the 2000's we talked about how you build complete streets for all users. We started talking about how we expand our bicycle network. In the 2010 we started talking about how we manage our freeway system more intelligently so that it has long lasting value to us and that is when we came to the Managed Lane Strategy.

So what are managed lanes? We hear all kinds of terminology, we hear HOT lanes which stands for high occupancy toll lanes; you hear HOV lanes which are high occupancy vehicle lanes, you hear public express lanes, you hear them called all sorts of things and some of them aren't so nice, but the managed lanes are a way to actively manage the freeway capacity that you have. We came about this idea that we could manage that capacity a long time ago when we started implementing high occupancy vehicle (HOV) lanes and we've come more recently to think about having a congestion pricing approach to managing those freeways. One of the things that is important about managed lanes or HOT lanes is remembering that transit vehicles and higher occupancy vehicles used for ridesharing and vanpooling go in for free so it creates basically a transit guide way so that express transit can operate in that guide way. It helps us preserve that future operating capacity and flexibility of managing the facility and we believe it provides long-term value and sustainability over the long-term. The contrast here is do you manage it, do you just build it and let people use it however they want and it eventually fills up, gets congested and then you are kind of stuck. With managed lanes we feel like it is more of active/interactive management of the asset over the long-term. The idea behind the HOT lanes or managed lanes is to provide a premium level of service for reliable travel times that allow, even in peak times, for that facility to operate at 45 mph.

We've done managed lanes a long time; we saw the nature of these lanes for bus riders, vanpoolers, carpoolers, motorcyclist, police and other emergency vehicles can go in there for free and we are suggesting by adding another component, we are adding all of those and allowing motorists and small trucks to pay a toll to have access into those specific lanes because we recognize when they operate just as bus lanes or HOV lanes there is a lot of space in between those vehicles and we are suggesting that you can better use that space by charging a small price to be in there. This is a graphic that was produced by the Washington State Department of Transportation and the notion here is that general used lanes can get congested; you have the managed lanes, the express lanes that can be managed and flow at a predictable rate and provide reliable service. As people that are driving move over to bus or they move over to carpools or vanpools or they just decide they may be willing to pay a fee to use the lanes themselves whether it is to be on time for an appointment or a service call, they can carpool and split the cost if it is two people in a carpool or they can just be on time because time is money and folks make decisions about how to spend time and spend money. In our society folks spend money to save time on all kinds of things so that is the idea behind managed lanes.

Getting a little bit into the physics of how highways work and how transit works, this graphic is intended to demonstrate that when you first build a brand new highway it has a lot of capacity; folks haven't quite discovered it yet; development hasn't occurred because the facility is in place. You get a new highway, maybe some new travel lanes, and you get results in pretty high speeds, good capacity, good operations, good flow but over time as growth occurs and because the facility is there, the real estate market responds to it, more people get on, more people find this is a better route, those speeds start to decline over time until they deteriorate and become congested. We are pretty familiar with the way that works. Then just the physics of adding an additional lane, that additional lane just doesn't have quite the capacity of the first lane because of the physics of the way the highway works because people are changing lanes, they are merging, they are moving around, they are filling it up and those additional lanes is just a marginal increase of capacity, it is not full increase and over time those speeds are going to go down as well. The idea behind managed lanes is you manage those lanes so that they maintain a fairly constant speed over a long period of time and it is done by price increases or decreases and have a very dynamic pricing. We call that congestion pricing and that is a model that has been used for many years now and it works.

The HOT lanes just simply effect congestion because if you that capacity, you have that operation and it is a predictable operation buses, vanpool, carpool riders will move into that lane as you saw in the animation there and the motorist is willing to pay some tolls will also move into that lane, freeing up some of that capacity on the general use lanes. The idea is pretty popular across the country, particularly in these high growth cities. Some of the fastest growing cities in the country are bringing in managed lanes to manage that congestion over a period of time. If you look careful over the list you will see many of those cities are ones that we compete with for economic development and for jobs to boost our growth. All those cities also have rapid transit systems like we are developing here in Charlotte, so we've had those 20-years of experience. You will remember that I said there are 15 cities; there are 27 corridors that are currently operational. That means some cities have been impressed enough with the operation of managed lanes they added other managed lanes in other corridors and there are 17 corridors that are currently under construction across the country. They are implemented in the fastest growing regions of the US just like we are and so far, this is really important, none of the HOT lanes projects have been cancelled or terminated and in fact they are all operating successfully and meeting the goals that they were designed to meet across the country.

Why do managed lanes in the Charlotte region? We are one of those fast growing Sunbelt cities in both population and employment which means more trips, more people are traveling and they are out there on the roads. The major highway corridors for our community were planned 40 and 50-years ago and they are largely built out and those corridors are occupied so we don't have new freeway alignments planned for our future. The widening we can do in some places is going to be extremely limited; we don't have a lot more space for widening. We know that general purpose lanes continue to add and add and add is an inefficient way to provide that capacity for the future. Again we can see this though 20-years of success so Charlotte is currently about the 17th largest municipality in the US and our surrounding region is very fast growing along with Charlotte so within the City of Charlotte by 2040 we expect to add 400,000 new people within

the City limits. That would then put us in the range of being the ninth, 10th or 11th largest city in America if we continue to grow at the pace that we are growing and have been growing for a while. You can see in the State of North Carolina we are just that much larger than the next city behind us and Charlotte is on the left hand side and you can see Raleigh, Greensboro, Durham, Winston Salem and Fayetteville so with our growth rate it would be like adding Raleigh population on top of the population we already have or adding two Fayettevilles on top of the population that we already have. We are out there and as typical as Charlotte does because we've been the largest city in the state for a long time we are going to do light rail first; we are going to do computerized traffic signals system first and we are scheduled to do managed lanes first. We will be ahead of other cities in North Carolina but we think Raleigh and others will not be that far behind us.

With all of that growth comes added traffic; you can see the numbers on the freeways that we expect by 2040 if we keep going the way we are going and we know that that capacity can be used up very, very quickly. These images are from 2011 on the left; 2015 on the right and they are snapshot of speeds at 5:00 in the afternoon on Tuesday, Wednesday and Thursday using data that we have available to us and you can see just between 2011 and 2015 the comparison; red means congestion, it is operating very slowly, green means it is operating at 45 mph or greater and you can see the north part of Mecklenburg County and the south part of Mecklenburg county, what a dramatic difference you see between 2011 and 2015 and that is on I-77. Similarly on I-485 down in the Pineville and Ballantyne area, particularly in 2011 a little congestion here in the afternoon peak time, 5:00 in the afternoon, but then look at 2015; we added lanes here all the way through to Rea Road and then to Rea Road it goes back to two lanes in each direction and you can see that the congestion has simply moved from here to here over that time so it fills up very, very fast with the growth rate that we have now. We've been named the second fastest growing large city in America. We've been taking that information and planning for new travel options over time that come in the way of managed lanes so between 2000 and 2010 we had what we call the fast lane study as a regional study that covered not only our CRTPO but the MPO out of Gaston County and the one in Cabarrus/Rowan and then the South Carolina MPO just south of us supported by two state DOT's at the time and that was the process of analyzing all of the freeways in the region and narrowing down to ones that we consider so between 2011 and 2013 the CRTPO voted for I-77 north projects and the managed lane strategy and incorporated that strategy into the Metropolitan Transportation Plan; moved 2012-2014 timeframe managed lanes were included in the Metropolitan Transportation Plan and in the TIP and all the way through 2014 that idea received unanimous support by the MPO. 2015 is when things started to go in a different direction and the managed lanes concept became a bit more controversial. The CRTPO voted in April 2015 to modify the I-485 lane provisions that had been built and were held in reserve for the managed lanes project to come in; there was some question about that so the CRTPO voted to approve that and I think there were two dissenting votes on that vote and then CRTPO voted in August to fund the TIP at the time which included I-77 south, I-485 south, US 74 in the 2016 to 2025 TIP. The I-77 north project was in a prior year TIP and was not voted on at that particular time. The managed lanes network that was vetted down and trimmed down from the larger multi region study really came down to I-77 north, US 74, I-485 and I-77 south. The corridors simply would make better use of the HOV lanes within Charlotte on I-77 and create new lanes to the north; a better use of the median in US 74; that bus lane had been there for a long time and is now being extended to make more effective use of that, provide premium service along I-485 and adopt a design that was least disruptive possible to surrounding neighborhoods and businesses and provide those travel choices and route choices away from the arterials into this higher functioning road.

The expected opening dates; the first part of Independence should open next year; I-77 North should open the year after that and I-485 down south should open the year after that. We've got a little bit more time before the rest of US 74 opens in 2024 and then I-77 South is funded for design and a lot of preconstruction activities so its opening will be beyond 2025 we believe. It adds significant new lane miles of highway to the network when we do that and all of those projects put together, I-77 North those dollars are already in a project account at DOT, not in the TIP so that is about \$170 million or so total. The \$144 million is for bonus allocation dollars associated with the I-77 North projects. US-74 project has \$17 million in a project account today and it is being used \$400 million in the TIP and I-485 South is \$200 million that is in the Transportation Improvement Program, the TIP Program and the \$275 million of I-77 south is in mpl

the current TIP for a total of \$1.2 billion. That is the investment coming into the region for managed lanes.

The I-77 North express lanes is a 26-mile widening project resulting in 88 new lane miles of capacity in north Mecklenburg County; two lanes in each direction up to Cornelius and then one lane in each direction up to Mooresville from here. This public/private partnership P3 to design, build, finance, operate and maintain for 50-years that facility. The US-74 express lanes project on Independence Boulevard, the first part is a starter project of eight miles down to about Wallace Lane and 3.8 miles with one reversible lane operating in the peak period only and the Albemarle Road to Wallace Lane will have one lane in each direction added. The second project is 12 lane miles from Idlewild Road to I-485, 6.5 miles one lane in each direction plus the general purpose lanes. So far NC-DOT proposes to operate that through the turnpike authority, not by P3 financing. The I-485 express lanes, 38 lane miles there; I-77 to US-74, one managed lane in each direction and one general purpose lane in each direction between Rea Road and Providence Road. That is a project that is participated to be operated by the turnpike authority, not for P3 financing.

In the middle of the Transportation and Planning Committee's study and deliberation the Governor asked the CRTPO to reaffirm its strategy for managed lanes or reverse that former decision. That is what leads us to tonight and getting ready for the CRTPO meeting on January 20th. Looking at what might happen if we decide to change direction on the managed lanes strategy is we would see the funds reprogrammed throughout North Carolina and this is a message that has been sent pretty clearly through NC-DOT and through the Governor's letter that if we walk away from these funds the funds will be reprioritized and reprogrammed for other needs within the state so that is a fairly large amount of dollars that wouldn't be available to us anymore. The \$1.2 billion investment is possibly at risk and of courses other consequences if you step away from those dollars you get no capacity for a much longer time and the red box is here to indicate what the equivalent number of miles of arterials would be if you needed to try to take up that demand through widening arterials, widening roads throughout the community. If we step away from the strategy chances are that we would be in a position where we would have to re-dominate other projects which that window opens in 2017 which means that we wouldn't be able to program additional dollars until 2020 or 2022 just given the other demands within the state that are already programmed and in line for those funds. That means we wouldn't have construction for beyond 2025 so it is a pretty significant consequence I would say. Without managed lanes we just don't get the express bus facility, we don't get the facility for carpools and vanpools or the opportunity to pay a little to go faster.

Managed lanes network, if it is operating correctly you start reorienting traffic flows away from the arterial street system onto the faster traveling system. If you don't have that operation in place the chances are the traffic will start going back into the arterial network and affecting those arterials. The requested action that is before you this evening as you can see outlined here is for the public hearing, approve the Committee's recommendation and endorse the managed lane strategy and then direct your CRTPO Representative's vote to affirm the current strategy in response to the request of the Governor. That is all I have and we will open it up for questions.

Councilmember Phipps referred to slide #12, US Metro Areas with HOT Lanes, do we know if any of those cities have a peak re-component with them?

Norm Steinman, Transportation said yes we do, for example there is a public/private partnership project right outside Washington, DC in Northern Virginia to almost completely rebuild their beltway and there are several outside the Dallas area as well.

Councilmember Autry said the I-485 South, I-77 South and US 74 projects are now currently anticipated to be funded through 3P partnerships?

Mr. Pleasant said no, those three are anticipated to be funded and operated through the turnpike authority, not P3.

Mr. Autry said what kind of assurances do we have that will be the plan when it comes time to implement them?

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Mr. Steinman said bonds have been programmed under the TIP there is no need for P3 financing for those projects.

Mayor Roberts said Councilmember Autry can you repeat the question, we didn't hear it?

Mr. Autry said the question was about the other projects for the managed lanes that the presentation says they are not currently slated to be funded through P3 partnerships so I was asking, what was our assurance that that would be the way it was going to be done when the time came to implement those projects.

Mr. Steinmann said the funds are there for the US 74-Independence project for \$400 million to be able to reach I-485 for that project and the \$200 million worth of capacity on I-485. For I-77 South that is going to be something that has to be reviewed because at the current rate the money will come in at \$300 million every five years and since that is going to cost over a billion dollars it is going to take at least 15 years to build that project with current methods of financing.

Councilmember Austin said this is piggy backing on Mr. Phipps question; where we had cities with the P3 are those financing agencies and contracts structured the same way with the 50-year contracts with no compete clauses with them as well?

Mr. Steinmann said yes; the ones that have a high occupancy toll lane have a 50-52-year timeframe; there are others which sometimes get confused by people of being HOT lanes, but they are toll roads and those have an even longer concession time period, sometimes 75 or 99 years.

Mr. Austin said so 75 or 99?

Mr. Steinmann said for toll road projects which are not HOT lanes. The project similar to the one on I-77 usually have a 50-year contract with non-compete clauses in them which means that you can build general purpose lanes, you just have to negotiate as to what the compensation costs will be.

Mr. Austin said we would pay them for us to build our own lanes.

Mr. Steinmann said there would have to be a negotiation in order to determine whether or not the general purpose lanes remove traffic from the HOT toll lanes and how much.

Mr. Austin said and you are saying that is standard?

Mr. Steinmann said that is standard.

Councilmember Mayfield said going back to slide #20 The Planning for New Travel Options, in 2015 the CRTPO voted in August to fund the managed lanes and we tied three major projects into that. What I would like to know is how long after that August vote was the contract signed where they identified what company, what stipulations, what requirements and restrictions were going to be added into that contract.

Mr. Pleasant said I will ask my NC-DOT partners to respond to questions about the contract.

NC Secretary of Transportation Nick Tennyson said let me make sure I understand the question; what you just asked was the vote in August and how long after that was the contract signed?

Ms. Mayfield said correct.

Mr. Tennyson said the contract for this project was signed for the commercial close was signed in June of 2014 and for the financial close was finally achieved in May of 2015. Both of those actions on I-77 North, the only contract we currently have, took place before the August vote so it had previously been voted on and included in the TIP and set in motion, previous vote almost

all of which were unanimous by CRTPO and MUMPO so that contract did not hinge on the vote that happened in August; it had already happened.

Mr. Steinmann said let me try it this way the key vote on I-77 North did not take place in 2015 or 2014; it took place in 2013 because that is when the MPO voted on programming the funds for that project, the \$170 million shown up here. That is why NC-DOT was unable to enter into a contract [inaudible] selected to build the project.

Ms. Mayfield said so going back to 2013 we identified that we had three major projects; I-77, 74 and I-485. What I'm trying to understand is honestly why we are having this conversation because if the contract was already signed by our state representatives, it was already identified that we are going to lock in this 50-year contract and that multiple of our major projects were going to be tied to it, why then backtrack and come to the municipality to say oh by the way we want you to sign off on it. I'm trying to get a better understanding of how that process went and it is for complete transparency and clarification because that seems a little horse and cart for me. I'm just trying to have a better understanding so that I can explain it to any of my constituents that ask me why we are having a discussion for something that was actually signed off on many months before even coming to the municipality.

Mr. Tennyson said the request that was made by the Governor was because there was substantial conversation in the community about making a decision on the I-77 North project and in order to make that decision it was important to the Governor that everybody understand that what we had here was a series of projects with this same concept, the managed lanes concept, and that it was interrelated, at least from the perspective of conceptually planning for these projects so if we are going to pull out one of them then the question is will we, as we get closer to putting a toll on another, and by the way it is important to note that the amount of money that was shown on the slide, for example for I-77 South, that was about \$275 million, represents something on the order of a quarter of the actual costs of that project. So if we are going to decide that we don't want to do tolls when we are this close to actually having them on one project what is the reason to think that we are going to be willing to have tolls on the others? That is the reason for the reaffirmation of the managed lanes strategy.

Mr. Steinmann said the programming of funds means that state and federal funds that can be directed by the MPO are authorized to be spent by NC-DOT and sometimes C-DOT or CATS for specific project proposes. That is what happened in 2013; the MPO bought it at that time to have up to \$170 million be spent by the NC-DOT to build the 88 lanes miles and operate and maintain those with a 50-year contract on I-77. That money is already in NC-DOT's bank account. What is demanding sometimes is why can't the MPO amend the TIP is not relevant for that particular decision because the money has already been transferred to the NC-DOT. What the MPO would be asking is through a letter for the Governor and the Secretary to cancel the contract. That is all the MPO can do about that project.

Ms. Mayfield said I'm going to slide #22 and this is just for clarification. Part of the bullets under this Managed Lanes, bullet #4 the design capacity with the least disruption to adjoining neighborhoods and businesses along I-77; we just clarified that we are having a discussion which in large part the impact I don't think for me personally, the challenge is not the fact that we need managed lanes, I think everyone agrees upon the fact that we need to figure out a better way but for me there is more of a concern of implementation and the fact that in that June of 2014 and May of 2015 is when the company that was going to actually implement this was identified and a contract had already been signed. For bullet #4 my specific question is how can we guarantee this when the state owns control of this implementation? We can't say that it is going to have the least amount of disruption because we have no control over it because we are not managing it.

Mr. Pleasant said the idea here was it is a design feature that the managed lanes have more capacity in the lane itself so then you avoid adding wider and wider lanes and making wider and wider facility over time; which then encroaches to adjacent neighborhoods and businesses. You get more capacity out of the managed lanes than you would by continuing to add general purpose lanes.

Ms. Mayfield said I don't think you understand my question. What I'm trying to get to, and maybe I didn't ask the question clearly, because what we have in the bullet clearly states that it gives the impression that we have any control over the design capacity anyway, but it is saying it is going to have the least disruption to the adjoining neighborhoods and businesses. We already see the disruption with the expansion of our current light rail system so I'm trying to understand if there is going to be an expectation of citizens to look to Charlotte when this disruption happens that they are going to be calling the local municipality regarding the concerns or are we going to have a specific person in Raleigh to direct them to when their business closes down or there is any challenges with their business because of the disruption that is being caused by this development.

Mr. Pleasant said so you are thinking more in terms of construction disruption?

Ms. Mayfield said we are talking about design capacity with the least amount of disruption to neighborhoods and businesses.

Mr. Pleasant said we do get involved at the local staff level and CRTPO staff level, reviewing the design, reviewing the projects to try to identify impacts as they occur and we have joined with NC-DOT on their projects to assist with public outreach, public engagement on the projects and on the I-77 North project we have done with City staff and the issues that we've dealt with mostly have really been around the design of noise walls and adjacency and we've seen some design changes since we became involved so that it no longer, for example, impacts Fourth Ward, has a lower profile so we do get involved in the actual design exercise with NC-DOT; we get involved with the community engagement with NC-DOT. Does that get to your question?

Councilmember Lyles said I think one of the things that I would ask is when we are talking about the building the project and this might be just how is it going to be constructed, usually we would have construction be acquiring right-of-way and moving outward. This design uses the right-of-way in the middle of the road and will be done and I think it might be better to have NC-DOT talk about how the project is designed because we are not looking at the same kind of disruption that we would have with the Blue Line which is going through established business communities along highways; they are going to be using the right-of-way but the question is are we talking about the design of the actual highway?

Ms. Mayfield said two things; one I want to know who they can be referred to because I'm not going to answer that questions since we are not responsible for this implementation so it would be helpful to know who on the state level is going to be the one so when constituents contact us, whether they are business because let's say for example where we've identified that expansion that is right where the exit is for their business, so that person may see a potential impact in their business as far as customers getting access to them if they are now in this far lane. I just want to know who to send them to when they call us.

Mr. Steinmann said bullet #4 is our attempt that is not working to explain that; for I-77 South, not for I-77 North, not for I-485 and not for US-74 but for I-77 South we believe there will be less disruption, that less right-of-way will be required for managed lanes than with general purpose lanes. There will be fewer lanes built on I-77 South with managed lanes than the general purpose lanes.

Mr. Tennyson said because I believe in answering questions and I think I understood a different question than what was just answered, we have a Division Office, staffed by a Division Engineer; the issues related to right-of-way and business acquisition or relocation are all handled through the Division Office. That office is who you would send them to and we'll make sure we refresh your information about names and actually the human being who would be on the other end of that call.

Councilmember Driggs said I think one of the toughest things for us about this it feels like we are being asked either to affirm the I-77 contract and all that that implies or to disavow our entire managed lanes strategy. I don't appreciate being put in a position where I feel like I'm being asked to make that choice so what I'm looking at is whether or not we can avoid the disruption that would be caused by cancelling the entire managed lanes strategy causing the I-485, US-74

and everything would be thrown back into the STI and at least as Charlotte stick our strategy and not endorse the I-77 contract because the way I see it that contract has termination provisions in it that are available at any time, there is precedent for changing transportation plans so we should not be in a position to closing the whole chapter on the I-77 contract if we want to stick to our managed lanes strategy. The way this whole thing is kind of being put to us it feels like we are being required to make that choice. I don't want to inadvertently or unwillingly endorse I-77 and Cintra just in order to avoid the consequences of terminating the whole strategy. So what are our choices?

Mr. Pleasant said what we are focusing on is pretty narrowly the request that the Governor made to the CRTPO. He didn't request of them to endorse the contract or not endorse the contract; he just asked to insure that we are still on board with the Managed Lanes Strategy and I think it comes out of the question if we are willing to consider requesting the contract be cancelled after the project is already constructed are we going to be reliable and not making that same move when the next project is under construction. I think that is what we are trying to respond to, just the charge that he gave to us and to CRTPO to affirm or reverse course on the Managed Lanes Strategy.

Mr. Driggs so would it be the position of NC-DOT if we vote to uphold our strategy tonight that the question about the Cintra contract had been asked and answered and there was no need to entertain any objections from the northern towns any longer?

Mr. Tennyson said it is the position of NC-DOT, and I happen to be NC-DOT for tonight, that the critical question is whether the strategy is going to go forward in the region and based on that decision we would have to have been far less aware of what was being said than we have been to think that we don't have issues about this contract on which we need to work. However if we are not talking about undergoing the strategy then the question becomes moot if we don't think this is a strategy that is going to go in the rest of the region then the whole issue becomes a different question. The question for the CRTPO is the policy question which is what that body was impaneled to decide. In other words there are no contracts that we bring back to CRTPO for any project; there is nothing about that that would be a normal process and so the normal process is to ask are we really going to support as a region the concept of managed lanes and in particular as has been demonstrated, particular on the I-77 corridor both north and south of Charlotte. By the way with a substantial portion of the benefit of this project inside Charlotte and if we are not then we need to move forward in one direction, if we are then again I don't think anybody is saying that we have got a contract that necessarily doesn't need additional work. We certainly have the possibility of continuing to work with our partners, I-77 Mobility Partners and I would insist that we do that.

Mr. Driggs said I have a call from Charles Jeter here; I wonder if I should take that. To be very clear on this though, the understanding is that if we vote no there is presumption that is a vote no confidence as far as the Cintra contract is concerned, but the converse is not necessarily true.

Mr. Tennyson said if you vote that managed lanes are not a strategy; if you vote to direct changing from the managed lane strategy that certainly has a direct and immediate impact on our plans for all four corridors. If you vote to affirm the strategy then we are in a position of trying to make sure that we are listening and hearing the questions that need to be resolved and work toward resolving them. I can't negotiate any of that nor can I promise you anything from this lectern tonight but I can tell you that if what you are asking me is if we vote for managed lanes or all four managed lanes are we necessarily saying that we are completely happy with everything that has gone on before no; that is not what you are saying. What you are saying is we are going to go forward with toll lanes or optional toll lanes in the region.

Councilmember Fallon said if the Governor knew he was going to throw this in our lap why did he allow Cintra two weeks ago to start scoring the middle of I-77 all the way up? That is my local road; I can't go north or south and Danny – HOV lanes, the only time anybody uses that HOV lane is when they are looking get away from the traffic to pull in front of somebody else and there is only one person in the car, so they don't work so don't tell me about managed HOV lanes, nobody uses them except to jump up one car ahead. If that is the managed lane you are talking about they don't work.

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Mr. Steinmann said that is not the managed lanes we are talking about; those are not HOT lanes.

Ms. Fallon said why was Cintra allowed to score the road when we didn't know what it was going to be?

Mr. Tennyson said the process of construction is carried out under the contract; Cintra was moving forward with what could be done to make sure that they could deliver the project on time. If there is a change to the decision about whether or not the project is going to be carried out that would be dealt with.

Ms. Fallon said don't you think it was a little precipitous when you knew you were going to bring it to us and it was going to be dumped in our lap?

Mr. Tennyson said no ma'am I do not.

Ms. Fallon it is funny that all of a sudden that Monday they started scoring the road.

Mr. Tennyson said it was unrelated and it was a matter of trying to build the project and deliver it on time.

Ms. Fallon said even though there was no decision made by people whose lap it was thrown into.

Mr. Tennyson said the decision was made over the course of eight or nine years, many of them unanimously, and what was being offered by the Governor was for the region to make a policy choice that would be a local initiated policy choice as was the managed lane project in the first place. While you are characterizing in a way I wouldn't; I characterize it as being the Governor seeking to be responsive to what he had heard and trying to confirm at the policy level whether people were ready to move forward or wanted to make a different –

Ms. Fallon said he knew we weren't ready to move forward because they were constantly saying they weren't going to move forward. Someone should have waited because what it looks like to me, and a lot of other people, is you jumped the gun purposely to get started.

Councilmember Eiselt said I've had five weeks to learn this whole thing being the newest Councilmember here which is a little bit daunting and after sifting through all the opposition it is clear that the opposition is not on the same page. People just don't want to ever pay to drive on these roads because they feel that they've already paid once. Some people don't like the idea of contracting with a foreign company and then some people don't like the contract. That is where I've been trying to focus, the contract, even though we know we don't have the purview to do that. My question is because people who want to focus on the contract think that the only trigger available is to dump this in the laps of City Council and they must decide even though we know we can't. Can you give people who are concerned about the contract that was negotiated at a time when we had a lot of fewer choices and now we are saying we have money; is there a bandwidth there to renegotiate the contract; and if you are saying it can be tweaked or can be renegotiated what is the trigger for that to happen and if there is money there now –

Mr. Tennyson said the premise of your question is that there has been a change to the available funding in a meaningful way.

Ms. Eiselt said meaningful by State Senators.

Mr. Tennyson said people with whom I would never want to disagree publicly, however the assertion that there is currently funding willfully ignores reality. The United State Congress has now for the first time in eight or nine years finally passed a transportation bill and the funding in that bill in no way makes up for the change available to us for interstate projects. Since the gas tax at the federal level was last raised we have lost at least 40% in the purchasing value of that funding so to ignore that and act as through we've got this new funding stream is to ignore reality. Beyond that at the State level our State General Assembly has been very generous in terms of trying to deliver state funding. There are a lot of states that don't have this and by the way that state funding comes from taxpayers; I'm clear on that it is not magic and it didn't come
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directly from state representatives or senators. That state funding has been very generous compared to other states and yet in our effort to try to understand across the state what the demand was for transportation improvements, the projects submitted totaled \$60 billion; the funds available every 10 years total \$15 billion so while not of that \$60 billion should be spent ahead of any of the local projects that we've discussed it is not fair to say that the rest of the state needs to be paying taxes for any other portion of the states' disproportionate share of investment so the reason why the Governor went into the office of Governor with the highest priority to make sure that we were changing the funding allocation was because he'd had the experience of being Mayor of Charlotte and seeing our previous funding stream not take congestion into account as a variable. In other words traffic congestion was not relevant to the funding stream decision. We have succeeded in getting that changed and that has caused some optimism on the part of some of us that we will begin to chip away at the backlog; but there clearly is a backlog.

What you've seen in the presentation that you've just seen and I know you've seen elsewhere is that certain metro areas are so economically successful that not only do they have a backlog, but they are creating additional backlog from the traffic growth. That is all to say that the premise that we have a new day in terms of funding availability is not in my judgment accurate. It is also to say that in everything you read from US Department of Transportation and any of the people who are working on the issue of how we are going to build our way out of this infrastructure problem is that alternative sources of revenue and the use of private investment will be critical. This project brings to bear half a billion dollars, the number you saw of \$95 million plus \$75 million is not the total costs of I-77 North. The cost of building and maintaining it for 50-years is \$650 million; the place we get that other half billion dollars is from the private investment so constrained as they were at CRTPO and interested in seeing a 26-mile solution happen in three years instead of spending 20-years with orange barrels on their route, opted for a P3 solution. It completely makes sense to me but it is also up to the local area how they want to have their transportation solution undertaken. In this case because there has been substantial indication from some elected bodies that they want to go away from the previous strategy you get to make the decision on behalf of Charlotte and I think, as a former Mayor myself, I find that completely reasonable as something that is locally influenced situation as opposed to something that somebody comes in and tells you what to do.

Mayor Roberts said did he answer the question about the trigger?

Ms. Eiselt said no.

Mr. Tennyson said that is excellent; the trigger has already been pulled. We are here because the question of what do we do about re-examining the contract is part of what I said earlier; it is not something we can negotiate here, it is not something I can make promises about. I can't lay out for you the parameters of negotiation; this is a business deal. There is no question that we are going to be talking about issues that have been raised, among others, the truck question, and assuming we have managed lanes to go forward with in the region it will happen.

Mayor Roberts said these are all high pathological; if we reaffirm and we do have questions like the truck question that we hear from a number of folks what will be the mechanism for us to get those suggestions or hate that conversation, the CRTPO?

Mr. Tennyson said it would be CRTPO. That would be the place to be communicating issues that you want to have raised. It is not a contract negotiation; we are not going to bring back a contract that says is this okay, but we certainly communicate best with people who have had the long history and the general context of dealing with transportation planning.

Mr. Autry said mine was pretty much along the same line about this contract and the mechanism of renegotiating the contract, adjusting the contract. I don't understand what the mechanism is except to get people in the surrounding towns and the City of Charlotte to go to the CRTPO and ask for someone to do something, but what leverage does the State of North Carolina have to compel Cintra to come back to the table?

Mr. Tennyson said I think that we are in a business deal and the same as any business deal we have the relationship, we have the ability to negotiate and we have a partner who is interested in
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a successful project that will candidly lead to other projects so it is not a case where this is any different than any business with whom you are doing business. You enter negotiations to try to make sure you have the best outcome for the long-term future.

Councilmember Smith said earlier I know we've looked at a number of metros who have HOT lanes; how many municipalities have engaged in the P3 HOT lanes and how many P3 providers are out there for HOT lanes? The best I could tell was maybe five, just a quick glance on the internet.

Mr. Pleasant said I believe we listed some cities in your question and answer packet that went out on Friday that showed some cities that have entered into some of these agreements. As Norm said many of them are full toll roads, not just the managed lanes part of it. I am aware there are some European cities that have entered into some of these public/private partnerships as well.

Mr. Smith said are they comparable in number of lane miles that are constructed? I was looking at Colorado and they were looking at maybe a seven-mile stretch that went P3. Are we looking at apples to apples comparison; because for ours we are looking at 88 miles.

Mr. Steinmann said the 88 lanes miles are the number of miles multiplied by the number of lanes added and that is where you get a big number. The projects are generally comparable; they are generally somewhere between 10 and 15 miles long if they are HOT (higher occupancy toll) lanes projects. The one around the beltway is around 15-miles; there is one in Denver, Colorado that I forgot to mention before. There are several in the Dallas/Fort Worth area.

Mr. Smith said roughly half the size of the 26-mile stretch.

Mr. Steinmann said this is one of the longest projects in the US; the only one that is probably longer is in Salt Lake City.

Mr. Smith said how many of these other municipalities have rate caps?

Mr. Tennyson said let me clear something up please; municipalities have not entered into contracts...

Mr. Smith said sorry; how many of these other HOT lanes that are P3's have rate caps?

Mr. Steinmann said I would have to defer to NC-DOT on that.

Mr. Tennyson said as I do often and without shame, I don't know. We will have to get back to you on that one.

Mr. Smith said I was doing just a quick look and it looks like a couple and then how many of these are in bankruptcy?

Mr. Steinmann said none of the HOT lane projects are in bankruptcy; the ones that have gone through a refinancing like in Indiana are toll roads, all of the lanes are available when people pay a toll. The Indiana Turnpike, I-90 is the one that has ...

Mr. Pleasant it has been refinanced; the project itself is up and operating and meeting its targets. It was opened up in 2008 so a lot of financial deals went sour in 2008 and this is one of them.

Councilmember Kinsey said it sounds like a lot of us have concerns about the contract even though he have and had nothing to do with it but I think Mr. Autry asked the question and I'm not sure I heard the answer; I must have been daydreaming about do we have a guarantee that this will be the only P3 project of the roads or the managed lane projects.

Mr. Pleasant said the only indication we have so far is that US 74 and I-485 are completely funded in the TIP so there is not a need to bring private dollars to the project at this time. I-77 South is still an open question.

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Ms. Kinsey said well I think Mr. Secretary mentioned something about he thought the company would like to negotiate with us or the opportunity to repeat your words.

Mr. Tennyson said based on my judgment of the money available and the costs involved it seems to me that the I-77 project south of Charlotte would end up being a P3 project. For what it is worth we also have in the TIP a project in the Triangle area that I suspect to be a P3 project if it ever goes forward. All of these things are of such great expense that having them happen at all is a challenge.

Mayor Roberts said this is sort of going on something someone else asked but because the Cintra contract is between NC-DOT and Cintra and the Governor's questions was about managed lane strategies going forward. Is it not true that even if the CRTPO votes against the managed lane strategy NC-DOT is not obligated to cancel the Cintra contract; they will be looking more towards the forward use of managed lanes but you are not obligated by a vote of the local authority to cancel the contract.

Mr. Tennyson said that contract has gotten to the point where it can be executed without any other action by anybody outside the transportation building so the Governor's offer, the Governor's request is because he wants to make sure that among other things we are following the preference of CRTPO and the bodies that are represented thereon and to make sure that we are not setting ourselves up for an additional experience of this type where we get very far along and decide that we really don't like the funding mechanism.

Mayor Roberts said so it is true that you are not obligated to cancel the contract?

Mr. Tennyson said it is true that there is not a requirement for us to get approval from anybody else to keep going.

Mayor Roberts said I just wanted to make that clear.

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ITEM NO. 3: FISCAL YEAR 2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT AND EXTERNAL AUDIT

Councilmember Smith said I'm a little surprised that the room thinned out; but Council tonight we are going to receive a presentation from Mr. Harrington on the City's Comprehensive Annual Financial Report and the Annual External Audit. The Governance and Accountability Committee has been engaged with an external auditor and staff on development since fiscal year 2015, since April. Most of the work was done by the previous Committee which was chaired by former Councilmember Howard and Vice Chair Councilmember Mayfield and Autry, Kinsey and Phipps. The current Vice Chair is still Ms. Mayfield and John Autry and Greg Phipps are on the Committee as well. I just wanted to give you a quick introduction to that and we will hand it over to Mr. Harrington for an official presentation.

Chief Financial Officer Randy Harrington said from a budget and financial perspective your world really revolves around the one term, fiscal year. The duration of a fiscal year is statutorily defined as one year by the North Carolina General Assembly and it represents the time frame from which Council can establish fees and taxes and appropriate expenditures to provide government services. There are three phases to a really fiscal year; the first phase is budget development which you are getting ready to start pretty soon, the second phase is really the budget execution and that occurs during the fiscal year and then the third phase is once the fiscal year ends staffs records year-end financial results and an external audit is conducted to one, test our financial controls, two to insure that the City is following general accepted accounting principles and three to assess if financial statements are fairly represented.

We are here today to discuss this last stage of the fiscal year; to receive a brief overview of FY15 financial statements and hear from our external auditor on the work that they have done over the course of the last few months. There are a few individuals who will be doing this presentation
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and one I want to recognize Robert Campbell, the City's Finance Director who will be coming in just a moment. We also have Jim Ratchford who is a Partner with Cherry Bekaert, our External Auditor and Troy [inaudible] who is with him as well.

Finance Director Robert Campbell said you should have received a copy of the FY15 Comprehensive Annual Report in the Friday Council/Manager Memo packet. Once you've had an opportunity to look this over in detail if you have any questions or anything that you would like to know more about we will be more than happy to meet with you, just give Randy or myself or anyone in Management & Financial Services a call and we will be happy to do that.

Today the purpose is to present the 2015 financial statements; this will just be key highlights, we won't go through the whole financial report because we wouldn't have time for that; and then for the External Auditors to present their results. That is a requirement by our auditing standards and so they need to communicate their results to the governing body. There will be no action required for Council today; this is for information only. The key messages; all funds finished the year within budget. We had a clean audit opinion by the auditors and that is as good as it gets. We have another slide to get a little bit more information about what that means but it is a good audit, it is a clean audit and it means they couldn't find anything that was materially wrong with the statements that would mislead anyone or they didn't find any non-compliance with accounting rules or laws or regulations. No material financial statement findings; there is one minor finding that was a report that was not filed on time, a grant report that did get filed subsequently, but it wasn't filed within the timeframe of the due date. We believe this to a learning curve with our new financial system that we put in and there have been procedures put in place to make sure that doesn't reoccur. The flow will be that after I do a real brief highlights of some of the financial results the auditors will then step in and do their report and they will present that one finding and I will step back up and give just a little more detail on what we are doing to make sure that doesn't happen again.

Public Finance in North Carolina is fairly heavily regulated by State statute Chapter 159 of the General Statutes; it is called the Local Government Budget and Fiscal Control Act and it also created an agency within the Department of the State Treasurer called the Local Government Commission, they provide oversight and make sure that we are following all the rules under 159 and they also issue rules and things like that that we need to follow. They approve all debt issues and they approve most anything or monitor most any type of financial transactions that we do. They make sure we have an audit and they won't let us issue any debt until after October 31st until we file the annual report with them so it is an important responsibility that we have and we take that very seriously.

We wanted to give a little more context around what it meant to have a good CAFR (Comprehensive Annual Financial Report) so when we say a clean audit opinion we are talking about it complies with generally accepted accounting principles and some of you may be new to this, our accounting standards are set by the Governmental Accounting Standards Board so we have to follow those rules and there is all kind of legal requirements from State Statutes, federal regulations and bond agreements and grant rules that we have to follow since we accept federal grants. We want to make sure that our financial statements are accurately representing the financial position and don't contain misleading information and we get an award from the Government Finance Officers call the Certificate of Achievement for Excellence in Financial Reporting and they set additional more detailed guidelines for us to follow beyond it is even more stringent than the Gatsby Accounting Rules. We have gotten 30 of those awards consecutively as of FY14. FY15 CAFR has been submitted and we believe we will get an award for that one as well. It demonstrates that we have tried to produce and have produced an easily readable CAFR that is organized efficiently and hopefully, I know it is hard in some sense a hard technical kind of document but it makes it as easy as it can be. Issued in a timely manner is also important; we have the October 31st deadline from the LGC and we have a January 31st deadline by the SCC because of our bond covenants.

Mr. Campbell said to give some of those financial highlights; in the general fund you see actual revenues on the left and we have actual expenditures on the right and you can see the property tax; this bar chart shows the property tax and sales tax are the primary sources of revenues and public safety is the primary use of our funds. Revenues exceeded expenses by \$6.3 million so
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we came in under budget and we had strong population growth that helped contribute to the strong sales tax. Over prior year we were up about \$8.5 million and that certainly helped a lot and because of the growth in the Charlotte region which from April 2010 to July 2014 was 9.8% so strong growth helps contribute to strong sales tax growth. The property tax collection rate, the County does a good job collecting taxes for us; last year it was 98% and this year it was a little over 99% so very strong collection rate. Over time they will continue to try to collect those taxes; that becomes virtually 100% so those all contribute to having good growth in the general fund despite some of the challenges that we had last year. We ended up as you will see on the next slide contributing \$14.4 million to fund balance and the City has a fund balance goal of 16% so 16% calculated against next year's appropriations and anything over the 16% goes to PAYGO capital. Fund balance is important as a general concept because without fund balance it would be difficult for us to manage our cash flow because our property taxes come in kind of in the middle of the year, November through January so we are a little down on the revenue side in the early stages and in the latter stages of the year compared to our expenses so having a fund balance lets us manage that and gives us the ability to respond to state legislative actions and allows us to react to unexpected emergencies or opportunities and of course it is a critical factor that is rated by the rating agencies. The \$14.4 million fund balance above the 16% this year; staff is recommending \$12.4 million be available for PAYGO and the other \$2 million be maintained in reserve for potential additional property tax refunds due to the re-evaluation. We believe that based on estimates provided by the County recently that with \$17 million, if you recall, we had set aside before, we had to set aside some additional for accounting purposes at the end of this year and then the \$2 million we should have enough based on recent estimates to accommodate the refund that we have been told are coming.

In the Enterprise Fund you can see water/sewer, aviation, transit and storm water all finished the year with revenues over expenditures within their budgets. This is a graph of our outstanding debt; as of June 30th we had \$4.6 billion outstanding in our general water/sewer, airport, transit and storm water funds and just a little financial data to kind of accompany that the total debt per capita in 2015 was \$1,087 and in 2014 \$1,819 so it went down which is good giving us additional cushion there due to paying off some debt and the net general debt as a percent of total governmental expenditures in 2015 18.1%; in 2014 it was 15.2%. It went up primarily because it is a ratio and last year, if you recall, to respond to the re-evaluation and the assessed value decreases the Manager had asked Departments to freeze some positions and to only have non-discretionary spending so that is why the ratio went up a little bit.

At this point I would like to turn it over to Mr. Jim Ratchford with Cherry Bekaert to present his report and if you will turn it back over to me I will respond to the audit finding.

Jim Ratchford, Cherry Bekaert said on behalf of Cherry Bekaert I would like to express our sincere appreciation for the opportunity to work with the City of Charlotte and to provide this audit report to the citizens. We actually produce four audit opinions as a result of our audit; they were all clean unmodified opinions. The first one on the financial statements as of June 30, 2015; the second one is called a yellow book opinion and that relates to government auditing standards and certain procedures that are required as a result of those standards. Then there is the single audit over the federal grants and then for municipalities, North Carolina has a state single audit act and there is a clean unmodified opinion over those funds as well.

As part of our audit we are required to look at the internal controls of the City; we had no findings in the area of internal controls related to either of the financial statements or the federal grants. In our single audit we did have one non-material, non-compliance finding that Robert referred to earlier related to a late filing of a report. There were two passed audit adjustments; by passed I mean it was determined by management and agreed to by Cherry Bekaert that those adjustments were immaterial and were not necessary in order to fairly state the financial statements so we passed on booking those. Those related to the formula in computing capitalized interest on construction projects. During this fiscal year the City implemented GASB 6080 which required a pro rata share of the asset or liability of the State's Retirement Plan be recorded on each municipality's books. That was actually an asset for the City of Charlotte that was booked. In terms of other matters to discuss there was one change in accounting policy during the year related to notes receivable and this came at a recommendation from the Local Government Commission to standardize the policy for this area across all municipalities. We

also cleared the prior year findings and this related to timely closeout of construction in progress. After we had the finding last year the City revamped their procedures; we went back and tested that and felt like they were properly accounting for those in the current year. This slide just goes over the findings for the current year and the prior year.

To conduct an audit of the City of Charlotte we are required to rely on internal controls over the financial reporting process and we broke these down into four areas that we look at. The first are significant transaction cycles and we've listed those; you can see, there are quite a number of significant cycles for a city the size of Charlotte. In each of these areas we got management's representation as to what those controls were and then we walked through transactions through each of these cycles to determine that they were functioning in the manner that management described to us.

Second, we did test of internal controls; this is a more expanded test over the walk-throughs that we do on a rotational basis and this year we looked at the cash disbursement cycle. We used data analytic tools to look at journal entries to see what the City was recording into the books and records by journal entry and there we are looking for initiation approval and posting of those entries and as I mentioned we used data analytic tools to assist with these tasks. The fourth area is technology controls; we looked at your IT control environment and we realized you put in a new system recently and there were some system issues so we spent some additional time this year looking at the controls that were modified to the system in order for it to function more properly and we had no issue with those controls. We then looked into the substantive test of our audit and here are some of the key areas that we identified and tested. Under assets you can see cash and investments which is always an important area to look at the details around the cash. Under Accounts receivable and accounts payable under the liability section we are really looking at cutoff there to make sure that the items are reported in the proper period for the financial statements. You can see the other areas that are attested there as well.

As far as the single audit we looked at 10 programs in total; there is a sampling method we go through, we are not required to look at all of your federal and state programs but this year we were required to look at 10; there were eight programs under the federal audit and two under the state audit and as I mentioned earlier there was only the one non-material, non-compliance finding related to the report filing. In summary I would like to thank the City staff for the cooperation they extended to our team. We have the four clean opinions that I went through earlier; two past adjustments that were considered immaterial to the financial statements, the one non-material, non-compliance finding and we had no management letter comments that came out of the audit. At this point I will turn it back over to Robert to give you Management's response to that non-material finding.

Mr. Campbell said non-material means it was minor but we don't take any of these as minor; we take them very seriously and we always try to fix the audit findings so that next time the auditors come in there won't be a problem. We had a report that was not filed timely with the Federal Transportation Administration and we worked with CATS and we believe that they've got procedures in place now that should make sure that report is filed in a timely manner. We believe that is fixed going forward and should not have a problem with it again.

I apologize I should have recognized two people here that are very important to producing the Comprehensive Annual Financial Report and that is Teresa Smith and Kimberly Brown, both are present and this is a lot of work as you can imagine. Thank you both.

Mr. Harrington said Mayor and Council I know you believe as strongly as I do that every coffee table should have a Comprehensive Annual Financial Report. While I do say that a little bit in gist I do want to point out that obviously there is a lot of information in this document and a lot of it very technical so if you, or any guest who might be looking at it on your coffee table, want to get really the essence and summary of the document I would direct you to the management discussion and analysis section which is pages 21-32 if I recall correctly and really that is the heart of CAFR and gives you a good basic overview. That concludes our presentation and we will be happy to answer any questions.

Councilmember Phipps said how much did you leverage the time and resource of our internal audit team to assist them with their work?

Mr. Ratchford said we did not actually utilize them to help with any procedures beyond the one agreed upon procedure that they help us with every year. We did look at their reports each year that they file and we follow up the internal audit on any findings or any major issues that they find in their procedures. We didn't actually use them to produce any of our work.

Councilmember Eiselt said I just have a question out of curiosity about our debt ceiling and what our capacity is. These would be our obviously wanting to meet the best debt rating that we possibly can and just curious as to where we stand regarding our debt ceiling.

Mr. Campbell said our debt limit is about \$4.5 billion. We will be providing debt capacity numbers during the upcoming Budget Retreat. We don't have those ready today, but those will be provided at the upcoming Budget Retreat.

Ms. Eiselt said our outstanding debt is \$4.6 and our debt limit is \$4.5?

Mr. Campbell said the total debt we can have outstanding is 80% of our assessed value which is about \$7 billion. That only applies to the general debt so you have to back out the general debt and that is how you get to the \$4.5; it is not all of the debt, it is just debt supported by property tax.

City Manager Ron Carlee said which is \$1.6 billion; our current debt is \$1.6 billion in general debt; separate from the enterprises funds which are financed through other debt. It is \$1.6 out of \$4.5 plus our cap.

Mr. Campbell said our cap is \$7.2 and the general is \$1.6.

Mr. Carlee said and the cap is \$4.5.

Councilmember Driggs said I just want to congratulate on a really well presented report. I've looked at a number of these and also on your track record of excellence in preparing these reports; also note that the Budget Committee will take up a lot of the issues such as Ms. Eiselt has raised in terms of how we ... this information. What we are talking about here is just the audit process and whether or not the findings about our booking were in order and it sounds like they really were so thanks a lot guys.

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ITEM NO. 4: ANSWER TO MAYOR AND COUNCILMEMBERS CONSENT ITEM QUESTIONS

Assistant City Manager Hyong Yi said there were two items that required follow-up from staff; one was from Councilmember Kinsey on the intersections and it wasn't a follow-up for this meeting so staff is going to work on that and get something back to the Council and Ms. Kinsey on her question. The second was from Councilmember Fallon; the follow-up on the grants and how a prior grant was spent and some reporting on that in terms of what was required on the part of the Fire Department as they were using the grant. We are working on researching that right now; they didn't have the information present so they are working on getting that together for a future report our to Councilmember Fallon.

The Dinner Briefing was recessed at 6:55 p.m. to move to the Council Chambers 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 11, 2016 at 7:10 p.m. in the Meeting Chamber of the Charlotte Mecklenburg Government Center with Mayor Jennifer Roberts presiding. Councilmembers present were Al Austin, John Autry, Ed Driggs, Julie Eiselt, Claire Fallon, Patsy Kinsey, Vi Lyles, LaWana Mayfield, James Mitchell, Greg Phipps and Kenny Smith.

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INVOCATION AND PLEDGE

Mayor Roberts gave the invocation followed by the Pledge of Allegiance to the Flag led by Scout Troop No. 70.

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AWARDS AND RECOGNITIONS

ITEM NO. 5: MENTORING MONTH PROCLAMATION

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

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

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

WHEREAS, United Way of Central Carolinas has long committed to placing mentors through its Volunteer Center, and is formally joining the Mayor's Mentoring Alliance to help heighten community awareness of the importance and impact of mentoring; and

WHEREAS, the Mayor's Mentoring Alliance will recognize the commitment of mentors and those who support mentoring throughout our community on January 29th, 2016 at the Mentoring Alliance Awards "Imagine a Charlotte where every child is given a path to their dreams" event; and

WHEREAS, the Charlotte community will recognize National Mentoring Month by lighting local buildings green, the color of mentoring awareness, during the evening of January 29, 2016; and

NOW, THEREFORE, I, Jennifer Watson Roberts, Mayor of Charlotte, do hereby proclaim January 2016 as

"NATIONAL MENTORING MONTH"

in Charlotte and commend its observance to all citizens.

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Joseph Butler, Big Brothers Big Sisters said first and foremost we as Co-Chairs would like to take the opportunity to say thank you. Thank you to Mayor Roberts for your passion, leadership, visions and continued support in advocacy for youth. Esteemed Councilmembers for your continue care and youth of backing for Mayor's Mentoring Alliance MMA Board, agencies and especially our mentors and mentees, we thank you. The Mayor's Mentoring Alliance MMA connects Charlotte Mentoring Organizations for the purpose of promoting best practices through providing workshops, resources and standards for a quality service delivery. MMA strives to

uphold evidence based standards insuring responsible practices in order to develop caring and supportive relationships.

Tasha Areoila, Queens University said these MMA standards that Joseph talked about are intended to support mentoring organizations to create impactful and enduring relationships that make a positive impact on the quality of life in Charlotte. On behalf of the Mayor's Mentoring Alliance we accept this proclamation and we thank you for this honor, but we also know that there is much work to be done. Our charge to you the citizens of Charlotte is to get involved by educating yourselves on the needs of the youth of Charlotte igniting your passion to give back and connecting with those in need in this community. We invite you all to come out and celebrate National Mentoring Month to ImaginOn on January 29th from 6:00 to 8:00 p.m. as we award exemplary programs and people that serve the needs of our future innovators, educators and leaders, our legacy.

Mayor Roberts said if you would like to be a mentor to a young person we need you and we would love to have you get involved. All you need to do is call the Mayor's Office and we will put you in touch with our Mentoring Alliance.

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ITEM NO. 6: HUMAN TRAFFICKING AWARENESS MONTH PROCLAMATION

Mayor Roberts said there was actually a training this morning with our US Attorney to help raise awareness about this terrible crime and Councilmember Phipps will read the proclamation.

Councilmember Phipps said we are going to be talking briefly about one of the scourges in our community and that being human trafficking. Thank goodness we have Congress, Legislature, various law enforcement and our large financial institutions working on strategies to medicate this scourge of human trafficking but I do have a joint proclamation tonight from the County of Mecklenburg and the City of Charlotte that reads thusly:

WHEREAS, human trafficking both labor and sex is a serious crime that affects people of all races, ages, and gender; and

WHEREAS, human trafficking is a form of modern slavery – a multi-billion dollar criminal industry that denies freedom to 20.9 million people around the world; and

WHEREAS, according to the FBI, the average age at which girls first become victims is 12-14; on average, boys and transgender youth are recruited between the ages of 11-13; and

WHEREAS, traffickers use violence, threats, deception, debt bondage, and other manipulative tactics to force people to engage in commercial sex or to provide labor or services against their will; and

WHEREAS, no matter where you live, chances are it's happening nearby; from the girl forced into prostitution at a truck stop, to the man discovered in a restaurant kitchen stripped of his passport and held against his will, all trafficking victims share one essential experience, the loss of freedom; and

WHEREAS, according to the National Human Trafficking Resource Center, North Carolina is number ten in the United States as of 2014, and the City of Charlotte is considered the number one destination in North Carolina for trafficking; and

WHEREAS, only a coordinated community effort will put a stop to this heinous crime and Charlotte-Mecklenburg has zero tolerance for trafficking of any kind; and

WHEREAS, Human Trafficking Awareness Month provides an excellent opportunity for citizens to learn about preventing human trafficking, and to show support for the numerous organizations and individuals who provide critical advocacy, services, and assistance to victims, as well as help raise the banner in an effort to extend a life line to victims:

NOW, THEREFORE, WE, Jennifer Watson Roberts, Mayor of Charlotte, and Trevor M. Fuller, Chairman of the Mecklenburg Board of County Commissioners, do hereby proclaim, January 2016 as

“HUMAN TRAFFICKING AWARENESS MONTH”

in Charlotte and Mecklenburg County and commend its observance to all citizens.

Mark Blackwell, Justice Ministries said Councilmember Phipps I really appreciate that and this is such a big day, not only for Charlotte, but for North Carolina as a whole. As I have connected with other partner groups across the state, even last night we had a joint worship service with seven anti-trafficking organizations representative across the city and just like the proclamation reads, it is a joint effort. It is such an encouragement to me to see the City Council and the Board of County Commission taking this stand with us; it is tremendous encouragement and on behalf of all the clients we serve, women and men, as well as the staffs that are represented we definitely thank you for this. I am the founder of Justice Ministries and we have a local hot line in Charlotte; we offer extraction and safe house placement for women coming out of sex trafficking in our region. Just last year we had over 100 new clients and that was on top of the 100 clients we had from the year before. It is a very prevalent issue in Charlotte; it is real and we see it every day but it gives me tremendous encouragement to have my City Council and Mayor Roberts and others saying we are with you, we are taking a stand and not in my City and we appreciate that. If I could take a minute I would like to invite one of my colleagues, Angelica Vogue. It is not me along; I'm representing dozens and dozens of individuals and as we shake your hands I would like to do it as a team because it really is that united front.

Mayor Roberts said I had forgotten this was joint proclamation; I would like to recognize several County Commissioners who are here; Commissioners Pat Cotham, Jim Puckett and Velma Leake if you will stand and be recognized as part of this proclamation, I want to thank you as well.

Angelica Bowls said I am part of Dress for Success, a national organization and what we do every year from the 52 states is select a delegate to raise awareness. This year I was selected for the City of Charlotte and I chose Human Trafficking and partnering with this ministry and a couple other anti-trafficking agencies because my for 2016 my project is called Begin with Ten because we are tenth in the nation so I'm going to distribute throughout our community ten ways asking anyone to partner and eradicate human trafficking.

Mr. Blackwell said it is timely that we are proclaiming January as Human Trafficking Awareness Month because today the 11th is actually Human Trafficking Awareness Day so it couldn't be better timing. What a way to start off 2016?

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Mayor Roberts said before we go to our next recognition I want to recognize three members of our General Assembly who are here tonight; Representatives Cotham, Jeter and Senator Tarte. I welcome you to our meeting tonight.

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ITEM NO. 7: RECOGNITION OF JOHNSON C. SMITH UNIVERSITY COACH STEVE JOYNER.

Councilmember Mitchell said Steven Joyner, Sr. Head Coach of the Johnson C. Smith Golden Bulls Men's Basketball Team is a native of Winston Salem, North Carolina. Joyner's success in basketball began at Atkins High School where he is the second leading scorer of the 1969 undefeated North Carolina State 4-A Championship Team. Throughout his tenure as Coach Joyner has collected numerous accomplishments. He is the winningest Men's Basketball Coach in Golden Bulls history having recorded over 500 victories. He has taken the Golden Bulls to seven CIAA Division titles and he joins Duke's Coach Mike Krzyzewski, North Carolina's Roy Williams, Western Carolina, Larry Hunter, as the only four active coaches in North Carolina

who have won 500 basketball games. Douglas Spears of the Omega Psi Phi Fraternity Inc. would like to make a presentation.

Douglas Spears said tonight I am honored to represent the 300 men in Psi Phi Chapter of Omega Psi Phi Fraternity located in Charlotte, North Carolina and it is my privilege to present to my friend and my brother, Bro. Steven Joyner on his 500th victory which he accomplished on November 20, 2015 against Apprentice. This is from the Brothers of Psi Phi Chapter who are true blooded Golden Bulls.

Coach Steven Joyner said I want to thank you; I'm tremendously humbled by the fact that you would invite me here this evening to present this award. It certainly signifies and reaffirms for me that you are cognizant and you are aware of everything we do in this City of Charlotte and you are paying attention and you are moving us forward. I want to thank you for that. But certainly any award in my mind is a team award, it is given to one, but it is a team award. You can't accomplish anything in life without support and my support group is here and I can start with Dr. Ronald L. Carter who encourages us to remain in our growing edge to continue to move forward, to be agents of change and we certainly try to do that from an athletic perspective at Johnson C. Smith University. Also here tonight with us and I want to thank you Dr. Carter for your continued support. I think some of our student athletics got here, did they get in. Again I say to people all the time when they say Coach, congratulations. I say I couldn't have gotten here without you and I say that about Dr. Carter and I say that about these current young men who are upstairs tonight. Also here is the Commissioner of the CIAA, Ms. Jackie McWilliams; so again I hope you allow me to shake your hands and thank you and that you will view this award as a team award and I say to you I could not have done it without you.

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ITEM NO. 8: RECOGNITION OF MR. AARON MCKEITHAN, JR., HISTORIC WEST END NEIGHBORHOOD ASSOCIATION

Councilmember Austin said it gives me great pleasure and honor to recognize a true servant leader, community activists, political strategist and a personal advisor to many around the table here. Aaron McKeithan served as President of the Historic West End Neighborhood Association from 2002 to 2015. It is affectionally known as HWENA; an informal collaboration of neighborhoods, Presidents of the 15 neighborhood associations and other community based entities that all call Beatties Ford Road and the Northwest Corridor home. The group has helped educate and shape the Northwest Corridor to insure the best possible quality of life for its residents. Mr. McKeithan unfortunately has retired in that role and he will be missed and moving out of the Charlotte community. Mr. McKeithan has worked tirelessly for District 2, he has worked hard for me and Councilmember James Mitchell, worked collaboratively with John Autry on building relationships between the east and the west and you have been an asset to us all. Mr. McKeithan has served on the Airport Commission, Chair of the Precinct 16, The Charlotte Area Fund Director, Friendship Community Development Corporation, Park and Rec, Northwest Advisory Council and he has pages of volunteers that I can't get through tonight but he will be missed. It gives me a great honor to recognize you this evening Sir. We also have members of the HWENA Communities so on behalf of the Mayor and Members of Council, Members of HWENA I want to present you with a plaque for your commitment and dedication, your support and your tireless effort in trying to work and build our community. I'm sure other members of Council would like to say a few words.

Councilmember Autry said Mr. McKeithan, you are still going to answer your phone when I call you, right? I met Mr. McKeithan back in 2006 and our friendship and relationship has grown and blossomed over the years and in the last year we spent an entire year together working with neighborhoods in east Charlotte and neighbors in west Charlotte on building relations, building a coalition, building trust, building understanding between the needs of both sides of our City. It was a true job and a blessing to have had that experience with Mr. McKeithan and Sir you will surely be missed, but thank you for all that you have brought to this community.

Councilmember Lyles said Mr. McKeithan I can't say enough about you and your wisdom and your guidance. You have a true love of community; you can see it, not just in the west side, but what you have done to influence all of Charlotte shows your heart and your head working for all of us and we are going to miss you but we so much appreciate everything legacy that you gave us, the opportunity to work with you has been awesome. Thank you very much.

Councilmember Mitchell said thank you for your leadership and more important thank you for being a real true friend and a mentor to me. I will truly miss you but I will continue to call you while you are in Washington, DC.

Mayor Roberts said I would just add ditto, ditto, ditto and I do have your cell phone number also.

Aaron McKeithan said thank you, all of you; it has been a gratifying and humbling journey. I couldn't have done it without all of you and all of the neighborhood presidents on the Beatties Ford Corridor. I am humbled by this award; again I'm thankful and I'm grateful but you always need people behind you and I've always had people behind me and that is what I'm grateful for. I want to thank all of you and all of the organizations that I participated with and for down through this journey. I want to thank them as well because it has been an interesting journey and I thank you again and I appreciate the honor.

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CONSENT AGENDA

Motion was made by Councilmember Driggs, seconded by Councilmember Lyles, and carried unanimously to approve the Consent Agenda as presented with the exception of Item No. 23, which was pulled for a separate vote and Item No. 51 which was settled, and Item Nos. 52 and 53 were deferred.

The following items were approved:

Item No. 22: Assistance to Firefighters Grant Application

(A) Authorize the Charlotte Fire Department to apply for a grant for the 2015 Assistance to Firefighters local grant program in the amount of \$1,750,000 for small equipment and protective gear, and (B) Authorize the Charlotte Fire Department to apply for the 2015 Assistance to Firefighters regional grant program in the amount of \$1,864,000 to enhance regional radio communication.

Item No. 24: Mooresville Radio Service Interlocal Agreement

Adopt a resolution approving an Interlocal Agreement for radio service with the Town of Mooresville and Mecklenburg County.

The resolution is recorded in full in Resolution Book 47, at Page 161-162.

Item No. 25: Interlocal Agreement for the Greater Charlotte Regional Freight Mobility Plan

(A) Accept Federal Highway Administration funds in the amount of \$200,000 on behalf of Charlotte Regional Transportation Planning Organization, (B) Approve an Interlocal Agreement for up to \$325,000 with Centralina Council of Governments for the Greater Charlotte Regional Freight Mobility Plan, and (C) Adopt Budget Ordinance No. 7013-X appropriating \$200,000.

The ordinance is recorded in full in Ordinance Book No. 59, at Page 672.

Item No. 26: Private Developer Funds for Traffic Signal Improvements

(A) Authorize the City Manager to execute Developer Agreements with Duke Energy, CRP/CW 1201 Central, LLC, and Childress Klein Properties, Inc. and (B) Adopt Budget Ordinance No. 7014-X in private developer funds for traffic signal improvements.

The ordinance is recorded in full in Ordinance Book 59, at Page 673.

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Item No. 27: Traffic Signal Cabinet Maintenance

Approve a contract for with Aegis ITS, Inc. for traffic signal cabinet maintenance.

Item No. 28: Airport Taxiway C Rehabilitation Design Contract

(A) Approve a contract in the amount of \$646,555 to Delta Airport Consultants, Inc. for design and construction administration services for rehabilitation of Taxiway C, and (B) Adopt Budget Ordinance No. 7015-X appropriating \$646,555 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 59, at Page 674.

Item No. 29: Airport General Aviation Ramp Rehabilitation Design Contract

(A) Approve a contract in the amount of \$249,746 with WK Dickson & Company, Inc. for design and construction administration services for the Airport General Aviation Ramp Rehabilitation, and (B) Adopt Budget Ordinance No. 7016-X appropriating \$249,746 from the Aviation Discretionary Fund to the Aviation Community Investment Plan Fund.

The ordinance is recorded in full in Ordinance Book 59, at Page 675.

Item No. 30: Subsurface Utility Locating Services

(A) Approve contracts for subsurface utility locating services for Engineering and Property Management with the following firms: Mulkey, Inc. (\$500,000), E.S.P. Associates, P.A. (\$500,000), and Taylor Wiseman & Taylor (\$500,000), (B) Approve contracts for subsurface utility locating services for Charlotte Water with the following firms: Mulkey, Inc. (\$500,000), E.S.P. Associates, P.A. (\$500,000), Taylor Wiseman & Taylor (\$500,000), and Cardo Inc. (\$500,000).

Item No. 31: Professional Services for Relocations and Improvements

Approve a contract in the amount of \$2,000,000 with Hinde Engineering, Inc. for general engineering services for Charlotte Water Infrastructure.

Item No. 32: Water and Sewer Extensions and Replacements (FY2016 – Contract 2)

Award a contract in the amount of \$2,390,029.80 to the lowest responsive bidder Dallas 1 Construction LLC for the extension and replacement of water and sewer mains throughout the Charlotte Water service area.

Summary of Bids

Dallas 1, LLC	\$2,390,029.80
RH Price, Inc.	\$2,413,865.80
State Utility Contractors	\$2,465,721.00

Item No. 33: Auctioneer and Related Services

(A) Authorize the City Manager to negotiate and approve a contract with Rogers Realty & Auction Company for Auctioneer and Related Services for an initial term of three years, and (B) Authorize the City manager to renew the contract for up to two additional, consecutive one-year terms with possible price adjustments, and to amend the contract consistent with the City's business needs and the purpose for which the contract was approved.

Item No. 34: Hydraulic Cylinder Repair Services

(A) Approve contract with the following companies for hydraulic cylinder repair services for an initial term of three years: Hydraulics Express, Advanced Electronic Services, and (B) Authorize the City Manager to renew the contracts for up to two additional, one-year terms with possible price adjustments and to amend the contracts consistent with the City's business needs and the purpose for which the contracts were approved.

Item No. 35: Cummins Engine Diagnostics and Repair Services

(A) Approve a contract with Cummins Atlantic for diagnostics, warranty repair, and other repair services for an initial terms of three years, and (B) Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments, and to amend the contract consistent with the City's business needs and the purpose for which the contract was approved.

Item No. 36: Meeting Minutes

Approve the titles, motions and votes reflected in the Clerk's record as the minutes of November 23, 2015, Citizens Forum/Business Meeting and December 7, 2015 Swearing In Ceremony.

IN REM REMEDY

Item No. 37: 2128 B Avenue

Adopt Ordinance No. 7017-X authorizing the use of In Rem Remedy to demolish and remove the structure at 2128 B Avenue (Neighborhood Profile Area 139).

The ordinance is recorded in full in Ordinance Book 59, at Page 676.

Item No. 38: 3801/3803 Rosehaven Drive

Adopt Ordinance No. 7018-X authorizing the use of In Rem Remedy to demolish and remove the structure at 3801/3803 Rosehaven Drive (Neighborhood Profile Area 164).

The ordinance is recorded in full in Ordinance Book 59, at Page 677.

Item No. 39: 3805/3807 Rosehaven Drive

Adopt Ordinance No. 7019-X authorizing the use of In Rem Remedy to demolish and remove the structure at 3505/3807 Rosehaven Drive (Neighborhood Profile Area 164).

The ordinance is recorded in full in Ordinance Book 59, at Page 678.

Item No. 40: 3931 Tresevant Avenue

Adopt Ordinance No. 7020-X authorizing the use of In Rem Remedy to demolish and remove the structure at 3931 Tresevant Avenue (Neighborhood Profile Area 6).

The ordinance is recorded in full in Ordinance Book 59, at Page 679.

Item No. 41: 4208-A Dinglewood Avenue

Adopt Ordinance No. 7021-X authorizing the use of In Rem Remedy to demolish and remove the structure at 4208-A Dinglewood Avenue (Neighborhood Profile Area 344).

The ordinance is recorded in full in Ordinance Book 59, at Page 680.

Item No. 42: 4208-B Dinglewood Avenue

Adopt Ordinance No. 7022-X authorizing the use of In Rem Remedy to demolish and remove the structure at 4208-B Dinglewood Avenue (Neighborhood Profile Area 344).

The ordinance is recorded in full in Ordinance Book 59, at Page 681.

PROPERTY TRANSACTIONS

Item No. 43: 9517 Dorcas Lane

Acquisition of 1.76 acres at 9517 Dorcas Lane from George Chapman and Kimberly for \$225,000 for Aviation Master Plan.

Item No. 44: 10304 Arlington Church Road

Adopt Resolution of Condemnation of 17,032 square feet in Waterline Easement, plus 5,677 square feet in Temporary Construction Easement at 10304 Arlington Church Road from Belle Glade Holdings, LLC for \$12,825 for Arlington Church Road 8' Sanitary Sewer 12' Water Main Combination, Parcel #1.

The resolution is recorded in full in Resolution Book 47, at Page 190.

Item No. 45: 10233 Arlington Church Road

Resolution of Condemnation of 1,212 square feet in Sanitary Sewer Easement, plus 2,231 square feet in Temporary Construction Easement at 10223 Arlington Church Road from Kathy T. Hucks and Robert T. Hucks for \$4,375 for Arlington Church 8' Sanitary Sewer 12' Water Main Combination, Parcel #6.

The resolution is recorded in full in Resolution Book 47, at Page 191.

Item No. 46: Providence Road

Resolution of Condemnation of 504 square feet in Sidewalk and Utility Easement at Providence Road from Car Providence Commons Two, LLC for \$750 for McKee Road and Providence Road Intersection Improvements, Parcel #21.

The resolution is recorded in full in Resolution Book 47, at Page 192.

Item No. 47: 10618 Providence Road

Resolution of Condemnation of 3,506 square feet in Temporary Construction Easement, plus 2,213 square feet in Utility Easement at 10618 Providence Road from Car Providence Commons, LLC for \$8,025 for McKee Road and Providence Rod Intersection Improvements, Parcel #25.

The resolution is recorded in full in Resolution Book 47, at Page 193.

Item No. 48: 4911 McKee Road

Acquisition of 23,270 square feet in Fee Simple, plus 10,966 square feet in Fee Simple within Existing Right-of-Way; 5,334 square feet in Temporary Construction Easement, plus 13,372 square feet in Utility Easement at 4911 McKee Road from Duke Energy Carolinas, LLC for \$286,625 for McKee Road and Providence Road Intersection Improvements, Parcel #4.

Item No. 49: 5030 Sunset Road

Acquisition of 2,654 square feet in Sidewalk and Utility easement plus 2,053 square feet in Temporary Construction Easement at 5030 Sunset Road from Bascom V. Belk, Jr. and Harriet C. Belk for \$26,306 for Sunset Road Sidewalk, Parcel #13.

Item No. 50: 3938 Selwyn Avenue

Acquisition of 16,200 square feet in Fee Simple at 3938 Selwyn Avenue from Eric C. Rigsby and Danielle Rigsby for \$520,000 for Cross Charlotte Trail Brandywine – Tyvola, Parcel #8.

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ITEM NO. 23: TIME WARNER CABLE ARENA SCOREBOARD/VIDEO SCREENS

Councilmember Smith said as many of you know I'm not in support of spending the \$33 million investment we made in the Hornets and their Arena. To me it just seems crazy to spend \$7.2 million on a scoreboard that we say isn't good enough for the Arena but we are going to take the panels off and put them in other areas of the Arena so clearly there are some good functioning components of it. We have a lot of speakers tonight so I just want to register my opposition.

Motion was made by Councilmember Lyles, seconded by Councilmember Mitchell, to authorize the City Manager to negotiate and award a contract to YESCO/Samsung not to exceed \$7,200,000 for the Time Warner Cable Arena Scoreboard/Video Screens

The vote was recorded as follows:

YEAS: Councilmembers Austin, Autry, Eiselt Fallon, Kinsey, Lyles, Mayfield, Mitchell and Phipps.

NAYS: Councilmembers Driggs and Smith.

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PUBLIC HEARING

ITEM NO. 11: PUBLIC HEARING ON A RESOLUTION TO CLOSE A PORTION OF NORTH PINE STREET

Motion was made by Councilmember Driggs, seconded by Councilmember Austin, and carried unanimously to open the public hearing.

Motion was made by Councilmember Austin, seconded by Councilmember Mayfield, and carried unanimously to close the public hearing and adopt a resolution to close a portion of North Pine Street.

The resolution is recorded in full in Resolution Book 47, at Page 151.

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ITEM ON. 12: PUBLIC HEARING ON A RESOLUTION TO CLOSE A PORTION OF NORTH MYERS STREET AND EAST 13TH STREET

Motion was made by Councilmember Driggs, seconded by Councilmember Lyles, and carried unanimously to open the public hearing.

Councilmember Kinsey said I'm pretty sure I see this on the map and want to make doubly sure that this portion of North Myers goes about half way into this hatched area and then 13th Street is not open to 8th Street. Is that correct?

Jeff Boenisch, Transportation said Councilmember Kinsey you are correct.

Motion was made by Councilmember Driggs, seconded by Councilmember Lyles, and carried unanimously to close the public hearing and adopt a resolution to close a portion of North Myers Street and East 13th Street.

The resolution is recorded in full in Resolution Book 47, at Page 154.

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Mayor Roberts said we are going to go to Item No. 16 on our Agenda

ITEM NO. 16: IRWIN CREEK WASTEWATER TREATMENT PLAN PHASE TWO IMPROVEMENTS AND UPGRADES

Motion was made by Councilmember Lyles, seconded by Councilmember Phipps, to Award a contract in the amount of \$39,732,000 to the lowest responsive bidder, Ulliman Schutte Construction, LLC for the Phase Two Improvements sand Upgrades to the Irwin Creek Wastewater Treatment Plan.

Councilmember Mayfield said I just want to identify and acknowledge that I'm one of the first ones to always want to pull when we have an SBE or MBE goal but for any of those out in the audience or those at home that review this we are talking about a \$39 million project. We had a 2% goal set on it but a large dollar amount of this project really is for the purchase of a particular piece of material so we actually did exceed the goal even though looking at it, it may seem like a very low goal of 2% but a large amount of this total cost of \$39,732,000 is in the purchase of the equipment that is needed so I do want to thank staff for being proactive and hearing that we definitely have a goal regarding our minority and small business enterprise participation. I just

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wanted to take a moment to thank staff for reaching out because it is a wastewater treatment plant to make sure that we did have minority participation.

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

Summary of Bids

Ulliman Schuttle Construction, LLC	\$39,732,000.00
Balfour Beatty Infrastructure, Inc.	\$40,374,000.00
Adams Robinson Enterprises, Inc.	\$41,902,000.00
Crowder Construction Company	\$44,948,478.00

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ITEM NO. 17: SOUTHPARK NATIONAL TECHNICAL ASSISTANCE PANEL

Motion was made by Councilmember Smith, seconded by Councilmember Mayfield, to authorize the City Manager to enter into a contract with the Urban Land Institute for \$125,000 for a National Technical Assistance Panel to assist in identifying goals and strategies for mobility, land development, and investment in the SouthPark Area.

Councilmember Smith said I am really excited about this ULI Panel and SouthPark is an important cornerstone and cornerstone of our community since it was built in 1970. It has grown a tremendous amount in the past 46-years. Much of the growth has occurred since 2000 when we had the last Small Area Plan updated and getting a full Area Plan has been a goal of mine since first elected. I think this is the next best alternative and we are going to be able to bring in experts from around the country to participate in this Panel. By my cocktail napkin math I think we have about 104 acres in SouthPark that will be ripe for redevelopment over the next five to 10-years and I think with the assistance of this Panel we can chart a new course for the SouthPark Community for the next 50-years and hopefully it will thrive just as much over the next 50-years as it has for these 46. I thank my colleagues for supporting this.

Councilmember Phipps said is this Technical Assistance Plan a pre-cursor to a formal Small Area Plan to be conducted sometime in the near future or is this a substitute for a Small Area Plan?

Deputy City Manager Ron Kimble said as you know there is a large queue of area plans that have yet to be conducted; this is a measure I think that we can do now at this point in time and the SouthPark Area Plan will ultimately need to be updated overtime but it is later in the queue.

Councilmember Eiselt said what is the timing around this and you help me understand Mr. Kimble, the process for these Technical Assistance Panels. In light of the rapid growth of the SouthPark area it would have been great to have had this a couple years ago, but since we don't I hope that we have the opportunity when the panel meets to really interject what we see as our vision into their legwork before they get started.

Mr. Kimble said there will be National Panel experts who have studied and come from cities who have these kinds of suburban quickly becoming urban centers in their communities and we will tap into the expertise and the talent of these national experts to help us.

Mr. Smith said there is significant private sector involvement from the stakeholders in the SouthPark area which has been a huge help. Mr. Kimble is out meeting with folks on a daily basis and part of the panel we will have members of the community and other stakeholders will help.

Mr. Kimble said there will be about \$90,000 of public dollars and about \$160,000 anticipated from the private sector to raise the funds for not only the study, but to do some implementation steps thereafter with some of that money after the study is completed.

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

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ITEM NO. 13: MANAGED LANES STRATEGY FOR CHARLOTTE

Mayor Roberts said declared the public hearing open and said I want to speak to Items B and C which we are being asked to take action on tonight to help clarify exactly what we are deliberating tonight. Action Item B is a request to approve the Transportation and Planning Committee's (TAP) recommendations to endorse the managed lanes strategy. Council's TAP Committee recently spent several months discussing this issue. Since 2009 staff has studied and the CRTPO has taken numerous votes on the Managed Lanes Strategy; this is a multi-year process. Up until April 2014 the CRTPO has unanimously supported the Managed Lanes Strategy through the adoption of its 2040 Metropolitan Transportation Plan. The CRTPO has not voted on the full Managed Lanes Strategy since that time in 2014. All CRTPO votes on this issue have passed both by weighted votes and individual delegate votes. Action C is a request to direct the Charlotte CRTPO representative's vote to affirm the current strategy to implement Managed Lanes at the CRTPO meeting. This action is a result of a request made by the Governor to the members of the CRTPO in a letter a few weeks ago. The Governor's letter stated "ask that the Charlotte Regional Transportation Planning Organization either reaffirm the current strategy for the Charlotte metropolitan region at their next meeting or reverse their previous decision and set in motion the necessary steps to create a new regional transportation plan".

The majority of the controversy and concerns around Managed Lanes have principally been around the I-77 North Project and the details of the public/private partnership. It is very important for the public to understand that neither Charlotte nor the CRTPO had any role and any obligation in the selection of the contractor or the negotiation of the contract. The City of Charlotte is not a signatory to that contract. The contract is not the purview of the City of Charlotte or the CRTPO; it is not appropriate nor does the City of Charlotte have resources to undertake the technical analysis necessary to suggest to the State how they should amend or manage their contracts. NC-DOT is the only signatory to the contract.

The issue before this body tonight is action on the Managed Lane Strategy, not the I-77 North Project, not the contract, but with the product provider. I should add that in a conversation we had in an update at our Dinner Briefing tonight; the question was asked of our Secretary of Transportation, even if we vote to change Managed Lanes Strategy does that obligate NC-DOT to cancel an existing contract and the answer was no. The Managed Lanes Strategy is the strategy going forward.

We are now ready to begin our public hearing and it is very important to listen respectfully to all sides and there are many sides in this issue. If you have questions during the time that you are speaking please understand that the Council will respond and will have discussion after we hear from the public. We want to hear from the public; this is your time to tell us what is on your mind and what you are concerned about.

John Hettwer, 7316 Swansee, Cornelius, NC said thank you for the opportunity to speak with you; I live in the Town of Cornelius and I am representing the I-77 Business Plan. Quite frankly it is the business community in North Mecklenburg. We are extremely unison in how the project works for us and Ms. Roberts I do understand what you are dealing with but you also have to understand that your Managed Lanes concept is getting dragged in because they want to drive the contract down our throats and that is troubling. We are coming to you and I want to iterate a couple of things; number one I am the 2009 Chairman of the Lake Norman Chamber of Commerce, I spent six years on the Town of Cornelius Planning Board, I spent a number of years on the Cornelius Land Development Code Board so I have been actively involved in North Mecklenburg politics for a long, long time. I will say this, as we look back in grass roots effort we had a lot of battles over water meters; we had a lot of battles over re-eval in 2011. Those two items pale in comparison to what is going on in the fervor in Lake Norman and so frankly we are here tonight to ask you; I understand the Governor has put you in a very bad position. The Governor has asked you let's lump in managed lanes and we know you won't kill managed lanes and that will fund that contract. The Governor and NC-DOT are driving that contract to our detriment and the reality of it is that it isn't going to go away. Here is what we need to do and

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I'm going to be rally frank; we are not asking, we are begging. We are begging you for help because to be clear in 2009 my theme for the Lake Norman Chamber of Commerce was regionalism because we knew in order to do well in Cornelius and Lake Norman all four towns had to work together; we had to work with Charlotte. Regionalism is important to us but yet here we are and this vote and this action that is going to go on tonight with that resolution basically says to Lake Norman we don't care about you, we only care about Charlotte. Unfortunately I don't like it but it is going to set regionalism back a significant degree and I hope we can end this. I do want to thank those of you who I met with and who have spent some time with me and who ... my conversation. I have also asked people who speak after me to be extremely professional, please allow us to cancel this contract and let's amend it so we can vote to cancel the I-77.

Diane Gilroy, 22836 Torrence Chapel said I live in Cornelius; I teach Spanish at the University. As I was preparing my long letter that I hand delivered to Governor McCrory outlining Cintra's failure to disclose corruption information I discovered that Cintra worked aggressively with both the NC-DOT as well as the Texas DOT to block and conceal information from US taxpayers. You may remember that the former Texas Governor Rick Perry just visited Governor McCrory in December. This is very interesting because I analyzed three-year's worth of disclosure forms and I discovered a huge discrepancy. I discovered that in 2014 the disclosure forms completely changed and they eliminated certain questions. For example the bankruptcy question was completely omitted from the 2014 forms. This is extremely important because of the Indiana toll roads bankruptcy. I also wanted to point out that I discovered letters dating from 2005 to 2014 from the former Attorney General of Texas to the Texas DOT General Council showing that Cintra had worked aggressively with lawyers to block very important information; information on toll revenues for the SH130 and most importantly information on the initial senior loan agreement. I have letters showing also that Cintra sued after a decision was made by the Attorney General of Texas, Greg Abbot so this has shown to me that this company should be eliminated due to systematic corruption, abuse and bankruptcy and I'm going to be giving my information to the US Inspector General. I went through an investigation where I spent four and a half hours with this Inspector General here and all of my information was given directly to Cintra, Cintra's lawyers, the NC-DOT and their lawyers. Tomorrow I was supposed to have an appointment and meet with the Inspector General to go over all of my documents and information since I am a Spanish Professor and I travel to Spain, but in order to, I believe manipulate the vote, they issued a 19-page report in which they put their legal spin on the information. There is a lot of information that is being concealed and held from taxpayers, politicians and I had many letters that I'm going to be handing over to US Inspector General and I just wanted to let you all know that.

Jay Privette said I live in South Charlotte and I've been working with the North Mecklenburg people on the HOT lanes coming down on I-77 just because I recognize the importance of this strategic corridor for the vitality of our entire region. I'm amused every time I hear the NC-DOT talking point of building more general purpose lanes makes no sense because in time they just fill up again. You think about that comment. Their answer is to build managed toll lanes, which according to their own optimistic studies only carry 6% to 10% of the traffic volume in general purpose lanes. NC-DOT's own studies and common sense predicts the managed toll lanes may marginally ease congestion at first then congestion will worsen beyond what we have today. After years of Texas' experiment with toll lanes Chairman of the Texas DOT Joe Pickett has declared war on this waste of highway real estate. It is projected we will be less than one-fourth of the way through the 50-year contract before congestion on I-77 is worse than it is today. One way to ease congestion after the HOT lanes are put in place will be by adding general purpose lanes to I-77 or other highways in North Mecklenburg. Those lanes will do far more toward easing congestion because a single general purpose lane carries 10 to 20 times the volume of traffic of a managed lane. The NC-DOT has been telling people this is okay to do and we are free to do it according to the contract. What they are not telling the people is that by widening the lanes we will have to compensate Cintra for their loss of toll dollars because the lack of congestion will be forcing fewer and fewer people onto the managed lanes. We have to compensate them dollar for dollar for the amount of tolls they are going to lose. That is something they are not really divulging. Another cure for congestion could result from a slowdown of economic activity. Already businesses are moving out of North Mecklenburg because of the congestion on I-77 is costing them too much in loss productivity and time. Think

of the economic impact of the Intermodal Terminal at Douglas Airport. The only credible economic study done on the impact of the I-77 HOT lanes predicts losses of over \$33 billion to our region over the 50-year life of this contract. I ask you to think very seriously about your decision because 50-years is a very, very long time.

Anette Powell, 21530 Baltic Drive said in 1995 I came through Charlotte Independence, saw all of the skyline and fell in love. It actually physically moved me to tears and then when I found Lake Norman I was in heaven so I closed my business and moved here. I want you to know that I see Charlotte as a gem and that I love Charlotte and I love Lake Norman and I don't want to see a rift between us. This is so much we can do together, but the Governor in his idiocy has put this thing before you that doesn't make any senses. Why are you deciding on his contract; it is stupid, but I'm about to tell you some things that will make you think maybe you should indeed cancel this ideal of this technology. It is about to be outdated; the future is not on the ground, it is in the air and we have given with this contract our right away to build in the air without paying contract concessionaire for lost revenue, Section 11.2 in the contract. What is coming is a multitude of different opportunities but the most interesting is called something Skytran.com. There are videos that help explain this technology which is most interesting is that it is a combination of work between NASA entrepreneurs and universities in California. This is an American product. It is energy efficient, it is net zero for energy and air pollution; it is light weight, it can travel up to 150 miles an hour and it is very inexpensive because it uses technology that they have managed from space with magnets. Right now is building this technology in a pilot so you need to research this before you make your decision. You may very well be saddling, not only I-77 with 50-years, a half century of outdated technology, but the other corridors that you don't need to spend that money. Also give this damn thing back to McCrory where it belongs.

Rob Watson, 14011 Shanghai Links Place said thank you for allowing me and all of us to speak tonight. I live in South Charlotte and I hear often that this is a North Meck issue, but I'm here tonight to express that it is a full regional issue. The County Commission and Meck delegation have heard their constituents, north, south, east and west and it has shown that this is a full county issue which includes the City. I represent Open Our Lane, a group with over 1,000 members who live and work around I-485. We are united with the groups here tonight in strong opposition to the I-77 tolls but also in strong opposition to the Managed Lanes Strategy that will add a costly unnecessary managed lane on I-485. At the County Commission meeting last Tuesday both Chairman Fuller and NC-DOT reminded the leadership that I-77 was the primary item in front of them now but if they did not want to continue to have this conversation when the I-485 managed lanes go to contract in six months, as we learned earlier this evening, for I-77 South \$1.4 billion contract in the future as well. The outcry for no tolls on I-77 has reached a thunderous roar that cannot be muzzled. The quieter reaction on I-485 doesn't mean we agree with the project; it means we are still rumbling to our roar. A year ago our group didn't exist but now we have over 1,000 members strong and are upholding our own toll summit on Thursday, please join us. Again the people of Charlotte north and south are united in opposition to toll lanes. Managed lanes cost significantly more for significantly less benefit than general purpose lanes. Because of the general purpose lane expansion from Rea Road to I-77 traffic on I-485 is limited despite the chart that you saw earlier, it was disingenuous because Johnston Road exit had not been completed at that point in time. The inner-loop experiences very little while the outer-loop experiences some at rush hour where it drops to two-lanes. That expansion including all of the asphalt that was needed for the toll lane and again remains unused for the next five-years which covered nine miles and cost \$83 million. The managed lane project that we talked about tonight for I-485 is eight miles but only has to have new asphalt for one toll lane for that eight miles, yet the \$203 million price tag is nearly triple what the first expansion costs because of three direct access flyovers into the toll lanes and a technology to manage the tolls. One-hundred, twenty million dollars more for toll lanes than general purpose lanes yet I'm told that the expected toll revenue will only be enough to pay for the ongoing toll management and this \$120 million will never be recouped. You've heard and will hear more tonight on why managed lanes provide little benefits. I will just add one point; NC-DOT claims managed lanes will incentivize carpooling yet they fail to tell you that carpooling rates have declined consistently in this country over the past 30-years from 20% in 1980 to less than 10% today and in hard numbers it is down almost as much despite the advent of carpool and managed lanes. It is the Governor's job to cancel this contract.

Jim Bauman, 4940 Oak Pasture Lane said Councilmember Mayfield I don't know you but I saw that you have already said that you were going to vote no and I really thank you for coming out and having the bravery to do that. I like the mentor thing that I was hearing and I will sign up for that. How about I will mentor some people about how to participate in government; the problem is when you go back we see that the Governor is asking you to cancel your whole HOT lane strategy and then he will cancel Cintra; he said that. So my big point would be that even the people in Charlotte we don't want the HOT lanes anywhere in Charlotte and I would ask any one of you, and I know you won't talk to me here, this isn't the forum for that, but I would beg to ask you how many Town Halls have any of that have been here, and I know we've got some new people, but how many Town Halls have you had asking for our input? I haven't been aware; I just found out about any toll roads about a year and a half ago even though they have been in the plan for a long time. I will guarantee you that if you go anywhere in your Districts we are not for the HOT lanes anywhere in Charlotte so I do want them cancelled. What does that say for democracy where 90% of your constituents don't want the HOT lanes. We know we need strategies, we know we can just ignore the issue. That is not the point; we get that. We see like Ashville getting \$800 million of free widening right now and with some of our fuel tax dollars that is really something. We are not doing our job of convincing NC-DOT; we need to audit, go back 20-years. I know in the last two-years we've been getting some of our fair share and I've seen the I-485 north being completed, but if we go back 20-years we are likely to see maybe \$800 million diverted out of our area and I think numbers talk. We've got to lay it on the line and say look we'll get an agreement. Furthermore if this thing goes through, just say this HOT lane Cintra thing does go through, I think you should get this in writing. I was talking to Secretary Nick Tennyson tonight and I said is it in writing that our area does not pay the contractual guarantees if this thing doesn't get the expected revenue or if it goes bankrupt like Cintra has all over the country. What if we pay that \$250 million of contractual guarantees out of our region's allocated funds? We have no reason to believe that won't happen the way they are saying we will pay the penalty; that logically means that we will also pay the contractual guarantees if not enough people use the toll road or if it goes bankrupt. Do you have this in writing that we won't pay that out of our area?

Chuck Super, 1242 Charlottetowne Avenue said you are right, it is up to the Governor and I'm a Republican but not a McCrory Republican though. The way that government works in North Carolina and most of the south is that the State has much more power than local municipalities and that goes all the way back to slavery and issues such as that. There was a lot of struggle a long time ago to make people equal and tomorrow is Martin Luther King Day and I couldn't imagine Martin Luther King coming into this body right now and taking the side of a company that wants to make people less equal. Could any of you actually with a straight face think that the guy that said black man, white man, Catholic, Protestants, Jews, Gentiles would all come together and live in Harmony and then say some of you all get nicer lanes and get to go a little faster. You know who is going to be driving faster, let's face it, and you want to do this all around the City of Charlotte. As I said it is up to the Governor, but Ms. Lyles you can vote against it and you know you can so throw it back to the Governor like they were saying earlier; make NC-DOT, make them make the decision; why would you give them cover? That is a peculiar thing; being Democrats given cover to a Republican Governor; that wouldn't be the best thing, this is a winning issue for you guys. Maybe you could take over the Governor or something like that. I myself would rather a Governor like maybe Robert Brawley who is challenging Mr. McCrory in the Republican Primary this year who is completely against the tolls. Please do the right thing, throw it back to the Governor and direct Ms. Lyles to vote against it.

Tom Davis, 1334 Riverside Drive said we've got a little municipality called Mountain Island Lake northwest of here. We are not quite established yet but I've worked in the Huntersville area for over 20-years and my wife works for Huntersville Elementary and she has been there for quite a while so we are very much a part of Huntersville. A little bit of background about myself; our family has been here since the 1700's; my grandfather was a Presbyterian minister who fought against slavery in the 1700's about a year before Abraham Lincoln came about so our family goes deep here. I came back from the war in the '70's and came back to Charlotte. We had four buildings at UNCC and the Bell Tower; I-77 was not even built; it was in the construction phase at that time so I've got some strong background and history on this roadway.

Tonight I want to talk to you; I'm retired Air Force, I'm also retired from Yellow Freight the largest carrier in the nation. I've got some high ground in both fields. When I looked at this plan I went to the powers that be about two years and I was told 50-years don't worry about it, trust the process. I want to talk to you about the plan more so the two gentlemen behind it. You are in a box, these guys are not. NC-DOT and the people in charge of it, the plan to do the roadway, my first impression was this may work, but when you really get into the details what you will find is that no trucks can get in those lanes. What does that mean? You've got 10 major carriers in the nation, 10 major carriers and Yellow is number one. We represent only 10% of the common carriers; there are 90% of other operators that can't use these lanes even if they authorized them. We complained about that and they came back and said we will modify them, we'll let trucks come in them. In the meantime they modified it this past Friday with 30 entry points and exit points on this expressway. Put that with trucks and you don't have managed lanes, you've got a managed lane for disaster. You are voting on managed lanes but you need to understand the plan and what is being presented which is where we are going on this. These are just some of the major concerns; population growth we know it is coming. Your own DOT guy said 400,000 people; we know that trucks are going to be four times more traffic than regular vehicles. If you bought it a truck brought it to you. We built a billion dollar facility out here at the Airport and you are cutting off your right arm on this highway if you expect to use the facility from an operational standpoint. This plan is flawed, it is not strategic plan, it is not even a managed lane plan.

John Parkinson, 1430 Broadway, Suite 1106 NY, NY said thank you for the opportunity to speak before the City Council this evening. Just for the record I'm a former resident of Jacksonville, North Carolina; I'm not currently a resident of North Carolina. I am the Executive Director of the Association for the Improvement of American Infrastructure; I'm here this evening to voice our support for continuing the use of public/private partnerships as a tool for developing and improving infrastructure in North Carolina. It may be worth noting that including businesses in North Carolina our member firms represent more than 500,000 jobs involved in designing, building, financing, operating and maintaining infrastructure assets and projects, including both large and small firms, MWBE firms as well. AIAI professionals are engaged in transportation assets such as roads, bridges and tunnels as well as airports and seaports, water distribution and water treatment plants, schools and hospitals, campuses and other community use facilities. These are infrastructure classes which AIAI members are building and improving. The Foundation of AIAI is the belief that life cycle procurement partnerships effectively deliver public infrastructure projects through private sector innovation, expertise and commitment. P3's are fast becoming an effective vehicle for states such as North Carolina to restore public confidence, protect taxpayer investments and rebuild public infrastructure, bolster local and regional economies and create long-term sustainable jobs. The capabilities and resources of the private sector compliment the public sector's capacity in designing, building, financing and delivering public infrastructure quickly, efficiently and cost effectively. The benefits of P3's are realized over the life cycle, not just the initial procurement phase and the first shovel in the dirt. It is taking into consideration all of the operations and maintenance; that is why P3's are good for North Carolina. P3's are also good for infrastructure development all through regional economic development job creation and growth. The flexibility in a procurement alternatives including P3's for infrastructure development is good for taxpayers of North Carolina as simply stated responsible governance and that is really what the decision is about; allowing that flexibility rather than turning this into a single specific issue. The discussion about the non-compete clause is something I think needs to be taken into consideration and should be pointed out that it is only for those assets that are talked about in the context of the long-term strategic plan. As new innovations come to light things change, plans change, plans evolve. The design of a contractual relationship in P3's such as this take that into consideration and that is one of the things that has been future proofed. I encourage you to continue the adoption of the P3's.

Senator Tarte said thank you for giving us a few minutes tonight. There were a few of the members that asked me to clarify a couple of points that I want to be crystal clear on; first and foremost the three of us as Legislators have never cast a vote to approve the I-77 widening project or the Cintra Contract, never cast such a vote. As a timeline because people think we've changed on this recently; in June 2014 I made a written request to have the Cintra Contract independently reviewed and I was told no. Then right before the financial close we asked the
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NC-DOT and the group working on this to take a pause and step back and let's go through an independent review, a short one even abbreviated. Not only did they say no, they accelerated the financial close within a week of our request. Most recently and what we would like you to consider is the letter that nine of the Legislative members in this delegation put forward to you, not just the Governor's request which is separate, would you consider making a recommendation to cancel the contract. That request we had actually made to the Governor to cancel the contract; we were discussing that with him and prior to that, the Monday before the Friday we had the project established to be starting in the spring, it was then delayed to the summer. When our request came that Monday before they not only accelerated it they started the project the Monday before we were meeting with the Governor. There is something just wrong with that whole aspect of how we are dealing with this contract and the detail of it. The contract was not written by, was not negotiated by, was not approved by or signed by anybody here; it was done in Raleigh. It is not our responsibility from that perspective. The one thing I want to leave you with is two things; this is about rhetoric and respect. There is a lot of rhetoric, penalties and a TIP is going to be blown up in all those things; just know for a fact from a Legislative perspective that absolute does not have to be. From a respect perspective I respect what you guys are doing; you've been gracious in your time and meeting with us and I appreciate that so again what we want to do is respect the process. We ask you to recommend merely to CRTPO that you cancel the Cintra Contract and let the process work; let the process and the project be redefined and then rescore it in the FCI. Thank you for your service.

Representative Jeter said Representative Cotham has asked me to speak on her behalf as well; it is scary and I understand there are a lot of the members that signed the letter that couldn't be here. I do want to state one thing; I apologize to you all because it is not fair for the position that you are in and I empathize with you all because it is really not fair. It is not fair for us to ask you to do this and we weren't the ones that asked you to do this. I want to make one point and that is to clarify that this vote at CRTPO does not have to be on managed lanes. The Governor can ask for anything he wants; the motion comes from CRTPO. Under state law General Statute 136-66-2D without question you all can bifurcate the vote and vote on the managed lane contract for I-77 and not managed lane policy. We are not asking you to vote on this policy and in fact we encourage you to endorse the policy. We are asking you to vote to recommend cancellation of a contract that is almost universally viewed as flawed. How do we know that; not even NC-DOT defends this contract. There have been threats and there have been all these things going around and I'm not real good at keeping my mouth shut so I run it. I read things that have been said by NC-DOT, I hear things that say you don't lose this, you don't lose that and you are going to pay the penalty. There is no mechanism under North Carolina State Law for you all to have to pay this penalty; they would have to pass legislation but if I have to go pass a Bill in April and I will file a Bill on April 25th to cancel this contract. If I do that I'm going to have to get past; do you know who called me on Friday, Harry Brown. Anybody know who Harry Brown is; he is a Senator who wants to take 50% of our sales tax. Make no mistake there will be repercussions for this decision for only the three of us need to push a button in Raleigh. These people sit in a room and make recommendations; the only people that pass laws that can actually do anything are standing right here. We ask you to recommend cancellation.

County Commissioner Jim Puckett said I thank the people from North Mecklenburg and South Mecklenburg; this is truly a county-wide problem. I particularly want to thank Ms. Tammie Hall and the ladies from the Beatties Ford Road Corridor. Beatties Ford Road starts and finishes in the two most powerful Districts in Mecklenburg County. District 1 and District 2, and District 2 is more powerful and I'm told that every Tuesday evening, but I thank Bill for being here and supporting us also. I'm asking our folks to be brief and respectful. The Governor is driving a wedge between this community; I've known Pat McCrory for a long time and I would consider Pat, well I used to consider him my friend, he may now be an acquaintance, but he is driving a wedge. This County Commission, five Democrats and three Republicans who have dealt with this for a year voted and said we believe the people know best and that while the Governor doesn't want you to deal with this contract, he wants you to deal with the velocity of managed lanes. We are saying that if he has asked your opinion then show some leadership and give it. The Charlotte Observer, and I don't agree an awful lot of the time but they are right; this contract is a tumor in a managed lanes project and it should be cut out separately. Don't fall for that all or nothing and end up dealing with something that will fail and ultimately you will be judged on that. The sad thing about this is the wedge that is being driven between this. Because of the
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process the Charlotte City Council ends up ultimately having a decision truly about whether this goes forward or not and you, not the Governor, not even the County end up having to deal with the fallout from the anger and the distrust that is drawn there because these people see the Governor saying give me some advice. If you punt on that advice, if you punt on that opportunity to say this contract doesn't work, not the philosophy, but the contract doesn't work then they are disappointed that you didn't take the opportunity to speak for them. When I first went on the Board of Education with my very good friend here, a man who I have an awful lot of respect for, as a matter of fact she and I had an awful lot to do with him becoming Chair, Arthur Griffin sat me down and said you are going to deal with some very difficult decisions, you are going to deal with people and their children. He gave me this advice, when you have a difficult decisions there are three things, is it legal, is it fair, is it consistent.

County Commissioner Pat Cotham said as I look around the dais I'm very proud to say that I know all of you and I respect all of you so please know that. I'm thinking about this man down here who came from Southeast Charlotte because he is worried about cancer victims in North Mecklenburg County who can't get to Levine Cancer Center for radiation treatment and chemotherapy. I would ask you if you want to understand why they are so upset just imagine that I-485 does not exist; imagine that Providence Road only has two lanes, one north and one south; imagine that I-77 just had two and two and also Independence Boulevard and again there is no I-485. Our life would be pretty difficult; I live in Southeast Charlotte, that is how their life is. For 35-years they've had no new roads but they have had increase of population of 500% yet they saw all of this happen in Charlotte. Even I-485 is expanded before they even got their little part in the north. They are livid, they are frustrated, they are begging. I also am sorry that this has fallen in your lap but it has and when I sitting there the other day I called out the Governor and I said he needs to do his job. The next Governor will do his job, he will not pass it on to the City Council; that is what I said and I am sorry he did this. I ask you not to punt, I ask you to take this one project out and just say everything else we are fine with, but this one project of I-77 North to take it out and say let's go back to the drawing board on this one. Do you want to partner with the County, do you want to partner with the three towns in the north, do you want to partner with the Lake Norman Chamber or do you want to partner with the Governor. He is looking for somebody to partner with here really bad because he needs an escape goat and you are his target. I just ask you to think about that, to think about these people and to take out this, don't punt, please don't punt, please decide. The County decided, the other towns did, call the Governor out. Please we need to take this contract out and go back to the drawing board on this one.

County Commissioner Velma Leake said first let me say thank you for the opportunity to stand here this evening. As I stand here I think about those children who are yet unborn who will be saddled with a contract that you placed on their heads. I worry about the process by which some of you probably will be receiving funds or making contracts with that agency; I'm not sure but I'm just saying you might be but I would hope not. We would hope that those jobs would be here in Mecklenburg County. We would hope that we would spend the kind of time on education, jobs and the well building of this community as we are spending on this issue. It worries me that we are not about the people and the people are trying to speak and ask you. As I stand here as County Commissioner I represent one million people, the City does not represent one million people. I'm going to ask the people from the Beatties Ford Corridor to stand, those of you who have come to ask this body to say no, please stand. Again thank you to those who have come Tammie Hill or Rev. McCullough who I depend on repeatedly. But the thing that bothers me the most is anybody listening, does anybody care and this is the question we are asking you as City Council is anybody listening, does anybody care? Why is there no money to build roads or free roads, we are paying for roads, those of us who have been here a long time have paid the price and the gas price that we paid. We paid for roads so I asked the Governor to come forth with those funds; I ask you again to do the right thing. Is anybody listening, does anybody care? Be fair, legal and consistent.

Mel Morganstein, 201 Glen Oak Road said I live in South Charlotte; I have been fighting stage four kidney cancer for over four years and so far I think we are making some headway here. I've had my doubts of radiation; where I'm concerned is not the cancer in me, I'm concerned about the infection which seems to get into the heads of public officials who think they can crawl into bed with companies and screw their own citizens to help that company make more money. Well,
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folks it is not what you put in your wallet in this life that counts, it is what comes out of your heart. When I heard about all of these victims of cancer at The Levine Cancer Institute (LCI) who are undergoing radiation treatments every day for a series of time and they are stuck in traffic on I-77 for an hour and a half or two hours in the morning and at night how in the heck can you plan your life. I-77 stretches over 600 miles, covers six states and traffic flows freely for over 600 miles of this but thanks to constriction from three or four lanes or more down to two lanes in one little area people are forced to back up so it can back up ten miles from the start of the constriction or what we may call the constipation. If I ask my six-year old granddaughter Lila, who is also something of a genius I might add, what she would do she would probably say well why don't you just make this like the rest of the road Pop? Pop that works. Well that rest of road is close to \$100 million and that is about it. Instead we have this Spanish contractor Cintra proposes to screw up about 28-miles of it for special toll lanes, flyover bridges, I think there are three bridges, just to get over to the toll lanes, 28 miles of construction most of which this \$650 million worth of construction is so they can collect their tolls. It has nothing to do with moving people. That is what Cintra wants from us for 50-years. This is a company with an unparalleled record of failure here so why don't we just add our general HOT lane. We are told this fix would only be temporary, well so would their mess only be temporary.

Martin Davis, 2424 Selwyn Avenue said I live in Myers Park deep behind the iron curtain and my views are not representative of the neighborhood but that is their fault not mine. There are two arguments you could make against this toll road disaster, one if micro economic and the other is political. The micro economic level we are very fortunate that Dr. David Heartgood is the Emeritus Professor of Transportation Studies at UNCC has done an economic impact study on what this toll road will do to our community and as Mr. Privette alluded to earlier it is going to cost \$33 billion in economic growth over the next 50-years. That is \$660 million annually in lost economic growth. Now, I'm going to pander to you folks like I have never pandered in my life; \$33 billion in economic growth means that the federal, state and local government is going to forgo about \$13 billion of tax revenue. Now I know how much folks like to spend money, that is a lot of money; \$13 billion and a good percentage of that would go to Charlotte and Mecklenburg County so if you support the toll lanes you are cutting your own throat, your own government throat and I know you don't want to do that. On a political level, people made some comments about the Governor, he is indeed looking to you to get him off the hook. Governor McCrory is a transactional politician which means you pay him and he will perform for you. If you want to get some toilets cleaned in a state prison and you have a cleaning company, if you pay him you will get the contract. If you own a tree farm somewhere north of here and you are a filthy rich business man and you pay him the state will pick up the garbage on the interstate so that people who drive on your facility have a nice experience. So this is the type of politician that he is. There are billions of dollars at stake economically from the people that will profit from the building out of this toll road and you better believe they have lobbied and persuaded the Governor and I understand Senator Tillis has called a few of you guys which means somebody is paying him too because that is the way he does business. These gentlemen have sold their offices and Governor McCrory's tentacles have reached down into our local political base here in Mecklenburg County. Bob Rucho, Dan Bishop, Rob Bryan have all declined to join Senator Tarte and Mr. Jeter here tonight to stand against this because Governor McCrory doesn't want them to do that, so they are on his side about this because they don't have political aspirations except for Senator Rucho. Why he has not come out against this I don't know. So that is where we are.

Commissioner Dr. Michael Miltich, 18021 Nantz Road said I am a Cornelius Commissioner and I thank you for allowing us to speak. You didn't hear a lot about the contract and one aspect that hasn't been touched on is the tax treatment that this contract offers the concessioner. I have a handout that is being spread out; of course under the federal tax code an operating lease operator the lease cannot be depreciated but a toll concession can so of course in Section 2.1 of the comprehensive agreement this is listed as the concessioner firm. Intangible assets can only take advantage of its own depreciation so in Section 2.1.4 of the comprehensive agreement the developer's interest are listed as intangible personal property. That tax advantage is only if you are an owner so in the contract Section 2.2.2 the contract specifies that for all intents and purposes under federal tax code as much is allowed the concessioner can call themselves the owner even though NC-DOT keeps telling us how they own the land and the rights. So not only is the taxpayer contribute to this project to the tune of \$94 million and subsidizes the toll

revenues up to \$75 million it allows Cintra to mine its federal tax code to minimize their tax liability. In addition if there is a compensable event which there are several in the contract, Section 13.2.4.5 states that NC-DOT pays the federal taxes on behalf of Cintra. This means unlike the area businesses that are being told they have to choose to give up their time or their dollars; these tax advantages mean that Cintra does not pay its fair share tax to our community. They are taking money out of our economy and not paying any taxes back to the community for that privilege. Be aware of that. There have been a lot of great speakers here and I'm not a great speaker but I'm very much against this project. I ask you to bifurcate the question. This contract has so many flaws in that it has to be cancelled, but if they don't let you bifurcate it at CRTPO then direct your representative to vote against the concepts because that is going to be a way of getting this contract cancelled and by the way you can use alternate delegates at CRTPO and our Cornelius Board is adamantly against this project.

David Tobin, 333 West Trade Street said I am the founder and principal of Tobin PLLC a Charlotte Architectural and Planning firm based in uptown Charlotte. I am here with my wife Justine she has my back here tonight. Justine is the founder and Principal of Tobin and Company Investment Banking Group and Tobin and Company Securities also based in uptown. We have been Charlotte citizens for more than 21-years, first in Foxcroft then in Myers Park and now we are residents of Fourth Ward. We are proud parents of three children, Hanna, John and Max who are the product of Charlotte Mecklenburg Schools as well as UNC-Chapel Hill and NC State. Over the years we have established deep roots here and we strongly support our city and its institutions. We care about the quality of Charlotte now and we care even more about the quality of Charlotte in the future, another 20 plus years from now. We are both here as concerned Charlotte citizens to stand up and express our urgent support for the strategy. As a planning and design professional I believe that the combination of pre-general purpose and toll or high occupancy lanes for this stretch of I-77 is a strategy that dramatically relieve congestion in the short term. Over a long term I believe this project will encourage and promote smart sustainable growth as well as robust economic development with appealing and pragmatic options for high quality public transit as well. I believe that in our current political and economic climate lacking adequate public funding for road construction and maintenance this project delivery model for highway construction and traffic management can work well. This strategy has a proven track record of success in many city regions of the US from coast to coast conservative and liberal and it can work well here too. Finally I strongly support our transportation policy making representatives and the design and management professionals who I believe have worked for the best interest of all of us. Already through numerous public hearings as well as detailed contract review and approval including review by the North Carolina State Auditor and our North Carolina Attorney General. I do trust that they have performed the jobs we the people of Charlotte, out county and state have entrusted them to perform for all of us free of political drama. I believe that we should honor their efforts and our collective commitments by supporting the fruits of this long and complex process. Madam Mayor and Councilmembers thank you for the time to speak; I hope that you will support this strategy. We have waited much too long to approve I-77 and its current dysfunction is beyond critical. It is a strategic importance to the City of Charlotte is unquestioned and I don't believe that we can afford to wait any longer.

Judy Cole, 20019 Capel Point Lane said I am from Cornelius; I'm a rare Democrat in the area and I'm very frustrated and I'm sorry that the Governor has put all of you in this position because I don't think it is fair to you and I don't think it is your decision to make because you didn't sign the contract either. But here we are. What it comes down to are you going to be on McCrory's team or are you going to be on the citizen's team. We've had our towns to the north, we've had Mecklenburg County, Iredell County all pass resolutions against this and yet it still gets crammed down our throats. I never in my life thought I would be standing; I'm a pre-school teacher, special needs children, never through this is what I would be doing with my nights. I sit up at night; last night I'm up looking at the 2001 NC Connect where the funding was there for I-77, where did it go. It was supposed to be funded all the way to Highway 73 and then the projection was to have it go four lanes both ways up to 150. I don't know what happened to that. Anyway this deal is a bad deal; I believe the Governor is scaring everybody with these penalty numbers he is throwing around. I don't see how anybody could agree to a contract with a penalty of half the amount of the work done. There's not been a shovel in the ground; we've got barriers up, we've got ruts in the road and it is scary to drive at night. I'm terrified to drive home

tonight; it was kind of scary thinking about coming down here and my husband didn't want me to come, but here we are. I-77 was built almost 40 years ago; we have had no improvement, the population has exploded and I-77 is the same as it was, two lanes. Highway 115 is our other route and that is two lanes and that hasn't been improved. The other route we could take is 21 which is also two lanes. There is nowhere to go. If somebody has a tire blow out on I-77, even if they are pulled over to the shoulder it clogs every road in town. I'm a half mile off the highway and I can tell when I get to the stop light if I-77 is a go or not because I have to use I-77 to get to my eye doctor; I've got to go I-77 to go the vet. It is not like we have alternate roads; the lake is on side and the other side is the other two-lane roads which aren't really a great option. Every other road seems to have been widened except ours. We've lived here since the '90's we've watched I-85 get lanes in both directions, we've watched 74 get their lanes; we've had nothing and we've paid the same taxes. I don't want to sound like a broken record but I think if we get our fair shake, give us a project from 21 to 33 that gives us a break for a few years until we can figure out another alternative.

John McAlpine, 21124 Crealock Place, Cornelius said I was born in Charlotte, raised in Mooresville, NC and currently live in Cornelius, formerly a Director of Electronics for Michael Waltrap Racing, was there for nine years and now I'm a Lecturer at UNC-Charlotte. I'm presenting an economic analysis of this project; I've tried to keep it simple. The punch line is that I'm looking at about \$42.5 billion worth of economic damage to the economy. I'd be happy to go into that but \$20 billion of that is lost productivity because no matter how you slice I-77 90% of your workforce is losing productivity. Ninety percent can't be in the toll lanes and time value of money, \$10 an hour, 50 years increasing time in the general purpose lanes you are looking about \$20 billion. I only mention \$10 billion because when businesses leave those projects can be wrong but honestly it is a big detriment to the area. I learned something at the Dinner Meeting; Nick Tennyson said that I-77 South is going to be subject to P3 toll lanes. That is new to me; I've been following this for three years now. Nick Tennyson called P3's funny money. He said funny money, that was out of his mouth. What I would like you to do and what I'm begging you to do is to make a defensive maneuver, say no to managed lanes now, let this contract get killed then we can go back and look at managed lanes that are not tolls. The Federal Highway Administration has got a document called The Efficient Use of Highways; that document talks about managed lanes that are not tolls. There are ways of doing that. I think this is your opportunity to say no to the mess that the DOT has created and then you can go back and say okay, we will do managed lanes but it will be on our terms. Give us a chance to review P3 contracts, give us a chance to review the infrastructure before it turns into this unbelievable political grenade. I don't get this emotional during my classes at UNCC but I've got two kids, there is a John Robert McAlpine VI, the third was a Presbyterian preacher in Charlotte and the McAlpine Creek is not named after us but the sewage treatment plant probably is so anyway I'm not down here because I really want to be.

William Rakatansky, 21136 Norman Shores Drive, Cornelius said I appreciate being here and I've lived in Cornelius for almost three decades. I'm very, very sorry that you were placed in this difficult situation by the Governor therefore I'm going to keep my comments relatively brief. Over the years I have seen many changes to this region, some good and others not so good. The changes embodied by this Governor's contract for toll lanes on I-77 will harm many people while helping only a few. I've been fighting for transportation fairness on I-77 for over three years. The contract that Governor McCrory signed or endorses limits our area to two horribly congested free lanes and one or two increasingly expensive toll lanes at rush hours. This discriminates against low income families and the working poor who cannot afford to pay tolls. These working people will be stuck in the increasingly congested free lanes for 50-years. Over time their travel time to and from work in the free lanes at rush hour will increase by at least an extra hour as projected by NC-DOT. There is no hope for any solution under this deal because the contract is for 50-years; four of these 50-years no free lanes or light rail can be built on I-77 unless the state pays huge loss of revenue penalties to Cintra. Governor McCrory singled us out to be trapped with only two free lanes. This is unique to our area. Other metro areas including Raleigh, Greensboro, Winston Salem, Columbia, South Carolina, Greenville, South Carolina and Knoxville, Tennessee have three or more free lanes on their interstates and other belts. We have been cheated out of the same number of free lanes that have been provided for every other major road and city in the region and if we go forward with the present contract any chance of having advanced transportation to our area will come with a hefty penalty. Why is the Governor
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insisting upon deliberately keeping these existing freed lanes in operational failure for 50-years. Where is the fairness to our citizens and where is the outrage? Please instruct your representative to CRTPO to bring this toll lane contract on I-77 to a screeching halt.

Thomas McMahon, 110 Rio Vista Drive, Mooresville said I'm from Iredell County; I live in Mooresville. I own a business in Cornelius and a business at Carmel Road and Highway 51. I've been in the real estate business for 34-years and I've been in this community for 27-years. I love this region; I blood, sweat and tears into my business in this region and it is in commercial real estate I built my business based off of what I heard that there were going to be improvements coming to I-77 all through the years. I planned on that as did several other business owners in the region. They planned to have improved roads coming our way, our fair share. I'm asking for your support to vote against any managed lane projects at this time. Put it on hold, put it on ice. In recognition of David Bowie, one of his best songs, please be our heroes tonight, please. I'm asking for that 90% of the businesses in our area took a pole are totally against this 90%. As a commercial real estate broker and in my business I have heard the following negative effects that this project is already bringing to our region. We are losing business, we have to relocate. We have a loss of production of our employees, we don't know what to do, what can you tell us is the future for I-77. They are asking the questions, they are relocating. People are stopping coming to our region to open new business. Our major employers are putting flex times in that we didn't have before. Sure that is one way but the flex time is going to run out. Drivers are staying away from I-77, people commuting from the north and south, our businesses are the people that come off the interstate that support our local businesses. We are not getting that support; that is hurting our community. We have a road, I-77 that is a local road, we don't have other roads folks. When we live, work, sleep, play in our community we use that road sometimes five, six, ten times a day going back and forth on appointments or to drop the kids off or to go to the Dr. or to go to daycare. That is our local road and to be stuck on it time and time again it has gotten frustrating. We ask for your help, we beg for your help. Just tonight Mr. Tennyson made a statement at the Dinner Meeting saying that this contract he still has issues with. This contract was negotiated for how long; my goodness, he still has issues with the contract. They signed this contract, they are living by this contract and we are asking that this contract be cancelled. It is not good for our area, it is not good for our region. Thank you for your support.

Angela Roberson, 4282 N. Freeway, Fort Worth, TX said thank you for the opportunity to speak before the City Council today. I am the Corporate DVE Manager for ... who is the US Subsidiary for a large international company. I want to talk to you this evening about the wonderful and incredible opportunities for small businesses and jobs that P3 projects can bring to a region and an area. I am responsible for managing and overseeing the diversity and civil rights aspects of the company including the disadvantage minority and women owned businesses as well as the workforce development programs and initiatives for projects including the I-77 project for Sugar Creek Construction which is the design builder for the contract. The I-77 express project has many, many as in many public/private partnership or P3 projects offer many opportunities for local businesses especially small businesses in the greater Charlotte area. P3 projects such as this project provide for flexibility as well as innovative thinking necessary to produce not only opportunities for small, minority and women owner businesses, but also create an atmosphere right for the development and growth of more local small businesses and companies. Our company, Sugar Creek Construction is committed to making sure that these opportunities occur on this project as it has on other projects that we have performed nationwide. We have partnered with US-DOT already as well as Surety and Fidelity Foundation to address many of the barriers a lot of small businesses have on projects such as bonding and contract preparedness. We have also worked with local small business organizations such as the Hispanic Contractors and the Metrolina Chamber of Commerce and other organizations to provide access to not only their members, but other small businesses in this area for opportunities on this contract. This is a strategy for small businesses INCLUSION that are not only being successful on our projects but P3 projects nationwide. In fact our project as you know has just gotten started and one-third of the contractors and consultants already contracted with on this project are small DBE contractors. In fact two local companies are here today supporting the initiative to maintain this contract. Other P3 projects have resulted in exceeding DBE goals and for our own projects over \$500 million have been, not only awarded to, but have been paid to DBE and small firms nationwide.

Sharon Hudson, 15715 Carley Commons Lane, Davidson, NC said I am a resident of Davidson. When I was in the fifth grade my family moved to the Charlotte area and I went to Matthews Elementary School, Northeast Jr. High School and I graduated from Independence High School and lived in Charlotte for many years. Then about 1997 my husband and I moved to the lake but I just consider this whole area as home. My husband and I went to a wedding Saturday down off of Carmel Road and as we were coming down Independence Boulevard I looked at the buildings in the vacant shopping centers to the right and to the left and I told him, you know what if this toll lane goes through this is what I-77 is going to look like in five, 10, 15 years. I also wanted to let you know that the reason you are listening to all these people here today is not your fault it is because Speaker Tom Tillis refused to have a Town Hall meeting and listen to his constituents and Governor McCrory has refused to listen to his constituents and I'm sorry you are bearing the brunt of this, but that is what has happened. One day after a summer storm I went out to check the mail and I saw an earth worm on the front walk. It was already starting to get hot and I could tell there was no way the worm was going to make into the grass. I carefully picked it up with a leaf, I didn't want to touch it, and I laid it in the grass and then I took some water from my glass over it. You might say I was kind, but in fact it was nothing to me. It was everything to the worm. Your vote tonight on the toll road project, I am sure this is very annoying, you would just like to get it over with, it is a hot potato that has landed in your lap through no fault of your own. It might be nothing to you, but it is everything to us. Please vote to stop the plan to build toll lanes on I-77.

Alisons Cole, Charlotte, NC said I would first like to note that I am very appreciative of our City Council and my favorite Mayor ever to be elected in Charlotte. We really, really understand this is hard work and we are very grateful that you have made it a little bit, I don't want to say sweet because it hasn't been sweet, but we really appreciate all of your hard work. I live in the Plaza/Midwood area of Charlotte for the past 12 years. I'm married and I have a nine month old son. My parents are residents of Cornelius and I'm a teacher who previously owned a school in Cornelius. We just closed this summer. I always vote and I'm here to ask you to vote against the I-77 managed lane project; it is the right thing to do. After driving the exact 48 miles round trip drive every single day from Independence Boulevard to John Belk Freeway to I-77 north and then back again every single day I can let you know that the northern area of our county is very neglected when it comes to roads. By creating this contract you are condoning mass congestion for profit and you are showing no compassion in helping our community thrive. This will hurt all of our communities and anybody that commutes on I-77. By approving this contract you are disregarding the citizens of Mecklenburg County and their very real objections. You are setting your citizens up for failure. By approving this contract you are telling my baby son that he has a choice to make until he is in his 50's; he can either pay the dynamic changing McCrory toll or we can find four hours at a time to drive to Cornelius and back for him to visit with his grandparents and that just is not fair. It is not fair. Most of us are aware that the Governor is more than capable of cancelling this contract and this is not the fault of you all; it is not the fault of the City of Charlotte, we are so aware of that. We know all of the good that you all do. We are so aware that we really should but Governor McCrory has made it clear that he refuses to fix it and he really doesn't care about the citizens of Mecklenburg County. Now you must do the right thing; you must fix this. I do believe by voting yes to this corrupt contract you are voting yes to McCrory and are joining his team. I'm not cool with that. Please vote no, do the right thing. As an active Democrat in a larger Democratic city, the largest city in the state I am disheartened knowing that we are actually discussing a no cap managed toll lane. We are discussing that right now that we should have no cap on a managed toll lane with the diversity in this large city who will be able to afford this. I can't' I will never be able to afford to just have \$20 to throw away every time I want to go see my parents in Cornelius. It is not fair; I'm outraged. The negative impacts are plain to see and I'm asking you please, please, please vote no to this contract.

Mark Gibbons, 13818 Bramborough Road, Huntersville said I am a Huntersville Town Commissioner, newly elected and the alternate delegate for CRTPO now. Many of you I met, e-mailed or put in calls to, I think all of you so I appreciate you listening to all of us and all of your citizens tonight. You have been given this impossible task and I apologize as well but we get elected and we stand up to the job. We learned tonight in no uncertain terms the TIP can be amended, it is in law and it is in the CRTPO MOU and it was confirmed by our State Legislators

tonight that no one is coming looking for us for this money if we turn this project down. It is okay to make mistakes; I've made a lot of them in my life and I'm sure if we are willing to admit it we have all done that. If we've made a mistake and we've got a bad deal let's stand up and change it. Over the years I think it has been pointed out how this was voted, we the northern towns in the county have voted pretty much unanimously at CRTPO on TIP's and among the projects we have approved is the Blue Line, the trolley, the Blue Line Extension that is in progress now; none of these have contributed much to the north Meck economy, but we voted with you. Today I'm asking that you vote with us next week at CRTPO; we need help. The Governor gave you a bad job to do but we are asking if that is the only option we have to vote against this strategy and then go back and redo it and get it right. You have heard people talk tonight about lanes; well there are two lanes on I-77 from 23 north and 40-years ago was built. Every other project that is scheduled for tolls in the Charlotte area has more than two lanes so every other place they plan to put tolls has already been widened. Let's keep that in mind. The I-74 corridor over there, bus lanes were put on that years ago and there were some options that were looked at; I'm not familiar with all of them, but we decided putting bus lanes only on there was the right thing to do. We changed our mind, right? If that had been a P3 project and we were locked into that for 50-years we couldn't change our mind. Let's not get into that, let's stop it before we get into that. Since I've been working on this for over three and a half years I've seen the legislators that did come on board with us and try to help us had to be chastised by others and especially some leadership in Raleigh because they stood up for their citizens. I thought that was what we get elected to do, stand up for our citizens first. We'll work this out; the state has had other contracts being cancelled and we paid the bill on that and if we have to pay a small penalty on this, and when I say small I don't take it lightly, millions of dollars, but small in comparison to 50-years and some people have thrown out the numbers tonight, \$30 billion to \$40 billion in economic disaster over that time.

Vallee Bubak, 19007 Hodestone Mews Court, Davidson said three years ago I learned about the plans for the privatized tolls on I-77 and began researching and following this project. What I learned is something that I think will end up being part of a high profile national news story. It is just a matter of time. This project is clearly scandalous, has already tarnished Pat McCrory and Tom Tillis and is not something that the Charlotte City Council should want to be on record as supporting. There are \$13 billion in estimated toll revenues that will be leaving our region to go to Spain on top of all the bailout provisions, will be terribly wasteful and destructive. Our small businesses and property values will take a hit and these lanes will exclude all but the 5% to 10% who can afford to use them. This project is not about easing congestion or reducing emissions. This is about a boondoggle at the expense of our citizens for the benefit of a few wealthy investors and our politicians. Cintra was not selected because they gave the best bid they were picked because they gave the only bid. Let me explain how this came to be; the American Legislative Exchange Council also known as ALEC holds retreats at luxury resorts behind closed doors where the public and media are not allowed. At these retreats corporations present model bills that members vote on and then bring home to their states. Tom Tillis, as Speaker of the House for North Carolina was awarded ALEC's legislator of the year at the ALEC meeting in August 2011 in New Orleans. At that very same conference Cintra and its investment partner ... gave presentations on privatizing tolls. Right after that August 2011 ALEX meeting Tillis established the House Select Committee on public/private partnerships. The Committee was co-chaired by Matthews Representative, Bill Brawley; it also included Fred Stein who was ALEC state chair that year. He is now Governor McCrory's liaison to the General Assembly making him the Governor's chief internal lobbyist. Luckily your House Bill 1077 that authorized privatized tolling was passed to the general assembly with the help of several ALEC members. In 2014 Cintra is the only company to provide a final bid and is awarded the contract. This reeks of corruption and collusion. Why only one bidder and from a company with a long track record of corruption and anti-competitive practices. Don't let the stain on McCrory and Tillis' hands now also be on your hands. This deal is bad for Charlotte and it is bad for our state.

Julie Carr, 21409 Crown Lake Drive said I am 15-years old and I am a sophomore at Hough High School. Since I was brought home from the hospital as a baby I've lived in the same house on the same street in the same zip code, 28031 Cornelius. I really love Cornelius, I love the weather, I love Lake Norman and I love the community here. Growing up I've always imagined that after college I would come back and start a family in this beautiful little town, but if these
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tolls get passed I think my childhood imaginations are going to have to find a new zip code. I'm sure that there are dozens of other people in this room that could better argue the logistics of these tolls so I'm not going to, but I have one thing they don't – time. No offense to anyone in this room and not set off anyone's midlife crisis here but by the time this 50-year contract ends you all will be dead. When these tolls end I will be 65 years old. If I do happen to come back to the Lake Norman area my entire working life is going to be spent either sitting on the highway for hours, paying who knows how much money to catch a break from the congestion. This decision you make tonight will go way beyond this room. It will affect generations that haven't even been born yet. No doubt this decision is complicated, but why. Why does it have to be so complicated? If it cost more to build and operate the toll lanes then develop two new free lanes then what is the problem? Call me naive but I believe every single person in this room knows what the right decision is and now it is time for you to act on it.

Diane Sheehan, 177 Huntly Lane, Mooresville, NC said I want to thank you very much for your time and for your patience and for listening to everybody's concerns. I know what you are going through although everybody that has gotten up here before me and talked about how long they have been here and how they are entrenched they are in their community with their family; I could do the same if were talking about New England. That is where I'm from and that is where I've just move to because of my husband's job. I understand your position however because I was so entrenched up there because I was in your position. I was at-large Alderman in my city of Nashua in New Hampshire and I have some experience with some of the issues that came up that were coming to my attention on being new in the community and having an interest in infrastructure. I was the infrastructure vice chair for two of my terms as well as I sat on the Regional Planning Commission and I have experience with having a TIP, having it approved, having a project that you decide hasn't been done the right way going in so pulling it out of the TIP and re-engineering it in a way that is going to work better. The bonuses that are coming in that are being leveraged to make it a hot potato if you say no all these bills are on you. Well, let me tell you our city did it and we were able to save enough money with the project that it offset any of those costs. The other thing that was important was the money that was spent already on a project that had already started rolling that hadn't gotten shovels in the ground, those assets were offset so in the long run we could still save half of the money by slowing down and doing something correctly. We had a bridge that was going to have essentially the same where you can go over here and pay a toll or you can sit in congestion on the other one. What we learned and what we were told to our planning training was that these plans or P3, what you are calling them here, they work well when they are part of a cohesive strategy that is not in place here. They work well when you have public transit and you are able to develop transit oriented development around it. Now because we put the cart before the horse we can't do that without having offsets of what fines can look like and we already see what they do. They build them up to be monolithic; you are adding that to a project if we wanted to have light rail to go up to Mooresville, if the cost is prohibitive because of these fines they know it is not going to happen. They are locking us in for 50-years. There is a value to the community that is reflected in what people's property taxes are. I'm not going to get into that but I'm going to talk about the value of the community and being diverse. I was really happy to see the diversity here but I had one of the greatest pleasures serving in Nashua to have wine and a discussion with one of my favorite authors who happens to be seven, James McBride. One of the things he said to me was his biggest disappointment with President Obama who he supported was his lack of championing for poor people. These lanes will lock the poor people so help everyone.

Rob Kidwell, 7603 Rolling Meadows Lane, Huntersville said I'm a Huntersville Town Commissioner and appointed CRTPO rep for the Town of Huntersville. I'm highly impressed and proud to be associated with the great number of people behind me. They have spoken eloquently from many aspects of life; teachers, students, business owners, professionals, people in manufacturing like myself. I'm very proud that we had the Board of County Commissioners and Legislative members from Mecklenburg delegation here speaking on this subject so I'm not going to take a lot of your time. I've e-mailed all of you; you know how I feel. I made that pretty clear; I've given you some options to consider and throw back at these guys here and in all due fairness they are doing what they've been told. Governor McCrory has told NC-DOT this is what I want you to do; he has given us the option at CRTPO to tell him what we want and so tonight as a Representative of Huntersville, as a citizen of Mecklenburg County I'm asking you to direct the vote to pull the project off of I-77. That is about as simple as I can make it and as

quick as I can make it. Four towns, two counties, we come together and it is not often that we actually bridge that gap on an issue where people from all over the City actually come together over something, but this is one of them. This could be the beginning of great things for the City of Charlotte and the region and the municipalities around it; that we come together on more projects; that we stand up and defend each other. In 2013 when the Airport was pulled by the State, it was the City of Charlotte standing alone without saying to the rest of Mecklenburg County and to the region, hey we need your help, we need to fight this, this is tax dollars that we want to get. Those are things like that where we could come together and we can fight the state, no offense to our delegation, but let's fight them. Sometimes it is about us here in this region and this is one step that we can take to begin that process. As I said Huntersville is standing against this project; the people of our town have overwhelmingly made that clear in the last election and I'm going to honor their requests.

Kurt Nass, Stableford Lane said there is not much more I can say that hasn't already been said by the people who have gone before me. The people have already spoken; they don't want this project, they don't want this project that is all the reason you need.

Meg Fencil, 920 Falls Creek Lane said I live and work in central Charlotte; I'm the Education and Outreach Instructor for Sustain Charlotte, a non-profit organization dedicated to inspiring choices that lead to a healthier and more vibrant community for generations to come. Case stories from around the nation demonstrate that in rapidly growing metro areas adding general purpose lanes does not work as a long-term strategy to managing traffic congestion. A new general purpose lane may very well reduce congestion for years or even a decade but what ultimately happens in a growing region is that this additional lane builds up with traffic and the congestion problem is perpetuated. We live in a metro area that is predicted to have the second fastest growing population in the US which projected growth by 71% between 2010 and 2030. There is simply no way we can meet the transportation needs of our current and future residents by continuing to build and widen existing roads as we have in the past. Eventually we will run out of space and have to displace residence and businesses at great expense to keep up with demand for additional road capacity. The long-term health and sustainability of our environment, our economy and the quality of life for all of our regions residents is at stake. There is no such thing as a free ride on any road. The true cost of building, maintaining and using roads is far higher than the price we are paying in fuel taxes at the pump and in our vehicle registration fees. Managed lanes don't reduce the road capacity currently available to drivers; they provide another choice for drivers to pay for a faster trip. A major benefit of managed lanes in contrast to general purpose lanes they provide an incentive to ride transit or carpool because buses and carpools of three or more people will be able to use the lanes for free and benefit from the same reliable travel time that toll paying single occupancy vehicles on these lanes will experience. Well planned and implemented managed lanes will reduced reliable travel times but more importantly fast and convenient commutes for express bus riders and carpools. The traditional modes for building and paying for roads no longer works. Never before has the need for a new model and need to encourage sustainable modes of transportation been greater. We are optimistic that five to ten years from now our policy makers and planners will be discussing how to expand the transportation network outlined in the 2030 Transit Plan and not having to deal with congestion issues caused by a shortsighted decision we made the first time around. We urge you to leverage a managed lane strategy that equitably and sustainably meets the transportation needs of the Charlotte regions current and future residents.

Mary Richardson, 13432 Fremington Road, Huntersville said I'm from Huntersville and at the first public transportation meeting I attended in early 2013 David Ungerman of the DOT's consulting firm Parsons Brinkerhoff stated and I quote "This will not decrease congestion but give those willing to pay a congestion free experience". Well, the problem in North Mecklenburg is we have congestion; 150,000 people in bumper to bumper traffic every night. You can see the frustration in everybody's voice. It is also a major distribution route; I-77 is our evacuation route and more importantly it is our main street. In our towns the road has not been widened but we need the road to go to work, to daycare, to our shops, to our doctors and it would be like tolling Pineville, Matthews, Highway 51, Lawyers Road on the east side of town or Providence Road. This is our community and how did all of these highly paid consultants, highly paid professionals come up with this plan in accordance with the experts of the DOT? First they missed doing a total impact study of the region but most egregious to me personally is

they did not have the forethought or planning an ingress or egress at Novant Health Medical Center in Huntersville at Exit 23. Seriously they cannot get on or off. Yes there is some chatter as of last Friday that we might have some new roads. Do we have the engineering for that; do we have to pay another how many hundreds of thousands for that? As a nurse there, a nurse of 35-years I can tell you that I get sick at night sending people home that have just gotten out of surgery; in these days we are sending them home too early anyway, but we load them in a car to get on an increasingly painful trip north or south. Our people come from Mooresville and they come from Union County. The other one, and it was already brought up is that we have cancer patients that sit in an infusion center all day and they just want to get home to their beds in their homes. You all campaigned that you would look out for the people's best interest; I know you have been dealt an unfair deal. The fact there has been so much bulling and bribing and you all know there has and this has been going on for three years.

Chez Beasley, 11619 Hophornbeam Lane said I live in Charlotte and I'm here to discuss the I-77 toll lane controversy and its impacts on our community. When I say community I use that word very intentionally because this is not a Charlotte issue, it is not a Huntersville issue, it is not a Davidson issue and it is not a Cornelius issue, it is a community issue. We don't just spend our dollars in one neighborhood; we spend our dollars throughout our community. We spend our dollars when we go to tailgate at Panther's games, we spend our dollars when we go to take our kids to Carowinds in Steele Creek, we spend our dollars when we go get a cup of coffee on Gilead Road in Huntersville however when a dollar is spent on the tolls that dollar does not stay in our community. Often times it goes overseas; it doesn't go into new transportation options, it doesn't go into growing the economy, it goes outside of our community. Here is the reality for many people the toll lanes are not an option. We just emerged from the worst economic crisis of many of our lifetimes and the reality is that for many of the people working class, trying our best to build our community they can't afford tolls that are as high as \$10 in one direction. Unfortunately because general purpose lanes are not planned as part of this project and because a fee will have to be paid to add additional lanes what we will see is that many of the folks who are working hard trying to take their kids to school, trying to take their children to different places in our area will not have another option other than to sit in traffic for another 50-years. I'm a contracts lawyer, I review contracts like the one that has been so discussed for a living every single day and the reality is that although a contract is at the center of this entire controversy, this is about more than words on a page and signatures on a dotted line. It is about the impact it will make in our community for the next half century, so I ask you please listen to the folks here in this room, listen to the folks who have e-mailed you and called you and have asked for your support and asked for your vote. I sincerely encourage you all, make a vote for our community and make a vote against the toll lanes.

Bill Russell, 9449 Mt. Holly-Huntersville Road said I am from Huntersville and I'm the present CEO of the Lake Norman Chamber of Commerce. We have 1,000 Chamber Members, actually more than 1,000 now in Cornelius, Davidson, Huntersville and the greater Lake Norman region. When I got here tonight I actually said with all these speakers I'm not going to speak and then I saw number 45 up there as Bob Morgan and I said I'm not going to let Bob get the last word. I'm sure he is going to say the Chamber of Commerce supports this project. Yes, the Charlotte Chamber of Commerce does support this project, but the Lake Norman Chamber where this is ground zero, does not support this project. We used to and we actually still do support managed lanes, it just doesn't work here. If you guys would send us back to NC-DOT and they look at it and say a managed lane and a general purpose lane would probably work we would probably get behind that. This month marks 20-years of the Lake Norman Chamber of Commerce for me and I think every Chamber of Commerce Ex whether they be the Charlotte Chamber Ex or Lake Norman Ex we want to one overriding thing. We want to leave our community better than we found it. If this project goes forward and this is hard for me to say, I will have failed in that task. The truth is everyone in this room will be a party to that failure and this will be the legacy of leadership we leave for that next generation, a failure. A little while ago John Hettwer was up here and he talked about regionalism; when I arrived 20-years ago I came from Rock Hill, SC and I heard from North Mecklenburg people the distrust they had of Charlotte and I didn't get it, I really didn't. But they felt like they had been short changed with roads and schools and one of the first things I did see was how hard we had to fight to get Hopewell High School. How hard it was to get people to understand the growth that we had up there but we built a lot of bridges, some with the Charlotte Chamber of Commerce that reached

out; Jennifer you have done a marvelous job reaching out and we have built bridges, but this has the potential of setting that regional effort back. Do away, just for one second erase from your mind contracts and P3's and managed lanes and Democrat and Republican – does this feel good? It doesn't feel right.

Nils Lucander, 100 Spencer Street, Davidson said I am from Davidson, NC; I lived in Charlotte for 10 years until we moved up to Davidson. I would like to thank you first for your patience, I know this is long for you and it is long for everybody and it has been a long time coming that we've had this discussion. There is a perception that everybody living near Lake Norman is wealthy. According to your census bureau the towns north of Charlotte, there are over 10,000 citizens living below the poverty level. Living in northern Charlotte and Statesville which is also dependent on I-77, there are tens of thousands more living below the poverty level. In fact in Statesville it is almost 30%. Throughout this whole region there are many, many more tens of thousands of people who are unemployed, on fixed incomes, students in school, retirees who are struggling in lower paying jobs trying to make ends meet. None of these people can afford tolls but they still deserve to be provided equal road conditions as anyone else and at no extra costs. Meanwhile the Department of Transportation claims that everyone can afford tolls because motorists may only drive a few miles on them or only on occasion. That would be like telling a poor person they can eat filet mignon if they only have a little tiny piece. That is unrealistic and it is entire dismissive of the real struggles that real people are having. In a recent DOT meeting I spoke with one of their representatives and I explained to him how low income people cannot afford tolls the same way that wealthier people can and his response was, well I guess using the toll lanes is not a practical use of their money. Well dug, they don't have a lot of money. It is nice that some folks can afford tolls like one woman was up here saying a moment ago, but it is too bad if they can't. A recent article in the Raleigh News and Observer stated great highway success stories like North Carolina's good roads movement that made North Carolina the good road state in the 1920's provide roads with equal rights to all, special privileges to none. Today that good roads concept is being kicked to the curb and the reason is indifference and greed. Just as we see growing pressures to turn public schools into for profit schools we see corporations and the government associates like Pat McCrory seeking to privatize everything from airports to our highways and the results are that average people are used and ignored and our public money ends up in the pockets of billionaires. If you vote to continue this project you are voting to support that kind of a system and there is no other vote there than that. Our people will get nothing for it or they will be held hostage for tolls which is basically extortion. You either sit in traffic or you pay the price. I just want to say real quickly that Mr. Curin has been behind this a lot and he was appointed to the NC-DOT by Pat McCrory. Mr. Curin donated almost \$10,000 to Pat McCrory's campaign; Mr. Curin helped set the policy that we are all threatened by.

William Sykes, 20409 Staghorn Court, Cornelius said I thank the Mayor and Council for letting me bend your ear for just a minute. I passed around a sheet that will go into a little detail about what I'm going to speak to. We've heard about the penalties, now let's talk about the benefits. The cavetti is the benefits are only resultant if we cancel this contract. The three line items that are listed on this slide are line items of the contract itself and these are things that will be turned back to the public; the public contribution for \$94 million, the bonus use for toll ramps which are an additional \$77 million in costs and the toll subsidies which are made up of six years of guaranteed recoupment to Cintra at \$75 million. The total save if cancelled is \$246 million; that will more than pay for the general purpose lanes which are slighted to cost only \$150 million.

Michelle Ferlauto, 20313 Harroway Drive said thank you for enduring another one of these awkward moments for me. I would like to take you all on a short ... on everything that the public is saying to you. I know it is a long night; it means a lot to us and it is not lost on us that you still here listening and you seem engaged and it is fantastic. My e-mail to you earlier was basically express the concerns that you are being dragged down a path that will set you up for failure because I don't believe that NC-DOT has any balance in check that prevents them from changing a project after it has been approved by CRTPO and review on the hope of responsibility. We learned earlier this evening that they do have P3's planned for Charlotte and when were they going to tell you that. Would you have been in the exact same predicament five years from now if this issue hadn't arose? When was somebody going to tell you this was going to be a P3 project? That is my number one problem with the managed lane concept in Charlotte

is the integrity and transparency of the NC-DOT. We can blame the Governor all day long because there is a lot of blame to be given but ultimately this goes back to the NC-DOT because they refused to cancel the contract. We passed resolutions asking for a delay after a 50-year non-compete was added so the vendor could get financing and they ignored us. Not only did they ignore us they moved up the financial closing. What more could we possibly have done to stand up and say hey, there is a problem here, yet the penalty has gone up significantly since this started. First it was \$20 million to delay the contract, then it was \$50 million to cancel the contract, then it is \$100 million, \$300 million and now it is \$1.2 billion in project money. It is absolutely ridiculous, the numbers are inflated, you can cut the bucks to suit a purpose any day of the week. My concern for all Charlotte residents who cannot be here to speak for themselves is that you can do as the Governor asked, you can also send the Governor a message and do something on your own. If I were you I would put a hold on all managed lanes projects until legislation is in place to protect local government when the NC-DOT's overreach. Without that you are going to find yourself in the same position that we are; there is nothing to prevent them from doing that to you, and NC-DOT already had it on the books for you.

Darrell Bonapart said the first point is the history of Charlotte; some of the leadership of Charlotte. Standing along Charlotte has been a pioneer throughout the State of North Carolina throughout its history and making decisions that have led to great outcomes for generations and this type of decision on the situation they have put you all in is not fair whatsoever. One of the situations is you've got to be here all night to hear all of us, but the other thing is making a proper decision that could last 50-years and it could be 50-years of degrading to our economy, to my daughter's life to her generation's life and I cannot understand how the man we thought that was once the gem of Charlotte, Mayor McCrory, now Governor McCrory it seems to me how you do this to your own home. How do you become what you have become and all of a sudden our Airport was a focus of your attention and how do you as a time when you were Mayor and all the millions of dollars throughout these many years that the City of Charlotte, Mecklenburg County had to pay to take care of highways because the state wouldn't fund it. Money coming out of our funds to pay for a state road project, millions of dollars that the state has done to you and now when I ride to Raleigh I see these immaculate highways they have up there and they have nowhere close to the population or the traffic conditions that we have, but look what they've got in 29-years to finish I-485 on which part of it we still only have four lanes. It is an insult to you and it is not showing the respect to you the City Council and the past City Council that you have to be in this type of situation and we have not been getting as Mecklenburg County region the type of financial support and infrastructure that we really should have been getting for what we have provided to the entire state. When it comes down to the counties and what they have already tried to bring to you tonight and letting you know that they stand together throughout this entire time and bringing you so many amazing facts. I'm in east Charlotte and imagine us in east Charlotte and I-74 and us dealing with this and when you think about those who do not come close to any type of income and other areas and we are stuck with the toll lanes. Being stuck and having to try and find alternate measures and Monroe Road and Albemarle Road and Central Avenue are not those alternate measures to try to get to where we have to get to uptown and I think about the Mayor used to call our area the corridor crap. Now I guess everything is the corridor crap because he is crapping on everybody right now including you. I am hoping that you will make a decision not to support these toll lanes.

Bain Black, 15133 Rangeworth Court, Huntersville said I am almost a native; I moved to Charlotte in 1948 with my parents and I love it, it is a great area. I'd like to address something tonight that is a major question if you can tolerate me for sitting just a few more minutes. What are the alternatives if we cancel the current project? Everyone says it is this or nothing and they have said that since 2010 and if we didn't take that we were going to have nothing to widen I-77. This argument has continued and it is false, it is absolutely false. In 2013 Governor McCrory proposed changes and how future money would be allocated to road construction. The goal was to take politics and cronyism out of the process and replace it with an objective rating of projects across the state. The Legislature passed this legislation, it was call Strategic Transportation Investment Law (STI) all of you have heard of it and you know about it. STI allows a fix for this; the legislation was to insure all parts of the state would be treated equally. Under STI the three pools of money, you know what those are, you have state pool, you have a region pool and you have a division pool. There is money there; there is \$15 billion over a 10-year period to be allocated for construction in the state. Well, guess what; we didn't have our little project, a 13-

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mile stretch from Mooresville down to Huntersville rated in STI; we didn't make the cut, it came after this great contract that we are so uncomfortable with, was put into place. There are several alternatives. Certainly STI is the best one and STI all we have to do is to move our project into the STI and we can eliminate \$13 billion of tolls on those that live in the region that are the least able to pay the tolls. Rich people that live up in the pinochle, you think they care about a toll. They want a quick access to Charlotte. The working class people that are sitting up there in Mooresville that are driving every single day down here, let's stop making two classes of people. Let's get this thing right. I implore you vote no and wrong a right please.

Dawn Snow, 8132 Evanston Falls Road, Huntersville said thank you for hanging in there with us tonight and listening to everybody. I'm a 15-year resident of Huntersville and I'm asking you tonight to vote no for the I-77 toll project. The I-77 toll project is a mistake for so many reasons but some of the top reasons in my mind are first of all it is discriminatory because most people can't afford the toll lanes. While Cintra will argue that we have a choice, we do not as most people cannot afford the toll lanes and there will be no cap on what Cintra can charge for the next 50-years. How is that for highway robbery? Secondly this is a 50-year contract, while Cintra will argue that it can be cancelled the financial ramifications of cancelling the contract once the tolls are in place guarantee that Cintra has the same profits through cancellation penalties written into the contract in effect just assures that the contract will never be cancelled. Thirdly it will not eliminate congestion and in fact will insure it because only about 5% of people will use it. Additionally the toll entrance, as has been pointed out earlier, the toll entrance and exit points will greatly add to the congestion. Lastly, it is grossly unfair to the residents and businesses of our community. We have paid our taxes for years and waited patiently as we watch others get free lanes all around the state and all around the local Charlotte area. Our property values suffer as future residences and businesses choose to move elsewhere. Local businesses will suffer as toll revenues leave the state and to go Spain and residents spend less discretionary income in local businesses. Residences and businesses will isolate themselves from each other due to the tolls so not only will there be less money going from Lake Norman to Charlotte, but there will also be less money going from Charlotte to Lake Norman and we will have loss productivity as people spend much more of their time in traffic. It is never too late to do the right thing and tonight you have that opportunity to correct this mistake and do the right thing for our community. Please vote to cancel the I-77 toll project.

Mary Thompson, 16619 Greenfarm Road, Huntersville said thank you for this opportunity to speak. My husband and I have lived and raised our children in Huntersville, NC since 1992 and we are active registered voters. I believe that your vote on the I-77 toll project this evening may be the most important vote that you will make as a Charlotte City Councilmember. This I-77 issue has been ... as being a Lake Norman issue but we believe it will have an enormous negative impact on the City of Charlotte if it is allowed to continue. The I-77 toll lane project contract has a 50-year non-compete clause which prohibits the widening of I-77 for 50-years without penalty. The contract states that if the state adds additional lanes Mobility Partners would have to be compensated for loss toll revenue. This penalty is so large that it would not make sense for the State of North Carolina to widen I-77 with additional free lanes. A study performed by the North Carolina DOT by [inaudible] projected that the proposed toll lanes will carry only 8% of the I-77 traffic. Between exits 28 and 33 I-77 crosses Lake Norman; there is only enough land in this area to add one lane northbound and one lane southbound. I-77 HOT lane project is controlled by Mobility Partners with a goal to maximize revenue and profits for the corporation and not to maximize traffic flow. An 8% increase in traffic flow due to toll lanes is not maximizing traffic flow on our road, our Town's road I-77. The Charlotte Metro grew 32% between 2000 and 2010 and much of the Charlotte Metro north of I-85 had growth rates that exceeded 100% in that 10-year period. The population of Charlotte is projected to increase by 71% between 2010 and 2030. Population of the I-77 Lake Norman region, that is Huntersville, Cornelius, Davidson and Mooresville has grown from 21,000 in 1990 to 128,000 in 2014 and the population growth does not show signs of stopping. With the increased traffic volumes and the terms of the toll lane contract Mobility Partners will likely set high toll prices that will cause the three general purpose lanes to have a perpetual traffic jam. This will motivate drivers who can afford the tolls to use the toll lanes. If the traffic is stopped and goes on the interstate, the capacity of the interstate declines sharply. If I-77 is not allowed to be widened for 50-years it will be in constant gridlock and this will seriously affect our economy. I-77 is also a heavily traveled truck route and freight volumes have been projected to increase sharply over
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the next two decades. Rising traffic congestion will significantly undermine the economic competitiveness of Charlotte. Thank you and I ask you to please vote no.

Reverend Mildred McCullough 1518 Newcastle Street said I am here tonight to appeal to you to vote no for the tolls. I've watched each of you in your Swearing in Ceremony and each of you placed a hand on the Bible and each of you stated so help me God so I appeal to you from Romans 12: 2, which clearly says, 'and be ye not conformed to this world, but be ye transformed by the renewing of your mind that you may be able to prove what is that acceptable and perfect will of God'. There are many residents who will be impacted negatively by these toll roads. I do respect and appreciate the seats in which you sit and I'm very grateful that I'm not sitting in those seats. I have to tell you that; I do have empathy for you and I have respect for each of you, but again I ask you to vote no. For the record Lincoln Heights Elementary School is open, has been open for years even though it was reported as being closed. That school serves children who are physically, mentally, psychologically and emotionally disabled. These toll roads will cause additional impact to their health so again I appeal to you as far as toll roads right now in the Lincoln Heights Community alone, I can name probably about eight residents who are in their mid to late 90's, how will they get to the hospital. Must they now go through red lights; I don't even know if an ambulance will be able to help them, but I will say these toll roads, what I'm seeing in contracts and reports, there is no integrity. So again I submit to you Romans 12:2. God Bless you.

Bob Morgan 3606 Mountain Cove Drive said I am a Charlotte citizen and President of the Charlotte Chamber of Commerce representing 3,000 businesses. In 2007 a local group of citizens forced a ballot issue to repeal our asset sales tax for transit. Had they been successful Charlotte would be a pale version of the vibrant community that we are today. Some of the same people who fought to kill transit are today trying to kill a policy that has been adopted to provide alternatives to congestion throughout our region. This policy has been 10-years in the making; it was initiated and supported by elected leaders in Charlotte, Mecklenburg, Huntersville, Cornelius and Davidson. Some of these same people who are asking for your support tonight incidentally have also raised the issue of transit repeal again. They have also avowed to diminish Charlotte's voice on our Regional Transportation Planning Body. Managed lanes, toll lanes provide an alternative to congestion on existing roads that are locally congested. They offer the prospect of adding capacity to major corridors. In the case of the I-77 to Lake Norman project managed lanes will provide relief along 26-miles from downtown Charlotte and through to Iredell County. In the next 20 to 30 years our population will double; it is imperative that we find creative and aggressive ways to invest in a comprehensive transportation infrastructure. Managed lanes are part of that answer; there is no viable alternative. If you tonight and subsequently the CRTPO vote to abandon the policy of using managed lanes throughout our region the results will be disastrous. First, the taxpayers within the CRTPO surely will be stuck with the penalty for breaking the existing contract. It will take years to build consensus around and to fund a new set of priorities. Second, a chilling message will be sent to financial markets throughout the world that we do not want private sector investments to help build our transportation infrastructure. In the meantime markets with which we compete in Texas, Florida and elsewhere will continue to thrive, welcoming with open arms things like managed lanes and public/private partnerships. Foreign investment, by the way, is not unusual or inherently a bad thing. In the Charlotte region more than 977 foreign owned firms employ more than 61,000 people. This is good. In 2007 70% of the voters of Mecklenburg County said an emphatic no to the repeal of transit, it is time for our City Council to say the same to those who offer no viable alternate. Again we encourage you to vote in favor of our current transportation plan. Great cities find ways to build and get things done; you have that opportunity tonight.

Mayor Roberts said I want to thank all the speakers for their input.

Motion was made by Councilmember Mayfield, seconded by Councilmember Driggs, and carried unanimously to close the public hearing.

Mayor Roberts said we have heard from you and now you have a chance to hear from the Council. I want to recognize Secretary Nick Tennyson; we appreciate you being here. Also the people from DOT have been listening to your comments tonight; they have stayed the whole
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time, they are taking notes and I just want to acknowledge that. I also want to acknowledge that this has been a great chance for us to hear bipartisan presentation on all sides; I don't say both sides of this issue because there are multiple sides, there are multiple things that people have brought to your attention and one thing that we can all agree on is the need to relieve congestion and to help our growing region. I also want to let you know we have received e-mails, we have listened to voice mails and have been consolidated in a phone number, all of us have partaken that and we have spent many hours listening. We care deeply about this region; we are not Charlotte, it is not an island and no matter how the vote goes tonight I want everyone to know, and I'm sure I speak on behalf of all of us we are an interconnected region, we do not rise or fall alone, we depend on all of our partners in our surrounding towns and counties. We will continue to work very hard through the structures that we have. The Council of Governments, our Regional Partnership all of those structures we will work very hard to continue to be team players no matter how this vote goes that is exactly how we all feel. I want to make sure that I had a chance to say that and with that I will ask the Chair of our Transportation and Planning Committee for a motion on Agenda Item No 13-B.

Motion was made by Councilmember Lyles, seconded by Councilmember Phipps, to approve Item 13-B, Approve the Transportation and Planning Committee's recommendations to endorse the managed lanes strategy.

Councilmember Lyles said in September former Mayor Dan Clodfelter referred the topic of Managed Lanes to our Council Committee to specifically discuss how the HOT lanes would function in Charlotte so this was prior to the discussion and conversation that we've been having that is addressed in Item C which is another item. What we did as a Committee, we heard a number of presentations about how these lanes relate and we were asked to look specifically at design operations and funding, how the projects complimented and support our land use and transportation goals and the role we would have. The report from the Committee is attached to your agenda tonight and it reads in part that we really believe that going forward with the idea of managed lanes really are one part of the tool that we will have to actually manage our transportation strategy. We also looked at the historical use of it in other communities; we talked about what it means and I want to point out a few of the benefits that we really looked at. On the reliable travel times that we looked at and then particularly the free access for CATS buses, CATS sponsored vanpools, carpools right now is not determined whether or not it is two or three people, that there would be free access on these lanes for emergency responders, the Police, Fire and ambulances and free access to motorcycles so obviously the motorcycle lobby is much stronger than any other type of vehicle because it is required by federal law. We also talked about the idea of making a decision on allowing access automobiles with less than three passengers and also including single axle trucks to come into the managed purpose lane. So that is going to be the way that we would look at our congestion pricing methodology.

We also recognized that we really would like to have a more formal agreement outlining how future operation decisions are made and should be developed in conjunction with our partners in the managed purpose lane and those decisions around design, operation, use, enforcement as well as customer service are very important to our community. I believe Councilmember Kinsey asked me a Workshop just a week ago, and her question was 'what is the difference between what we are trying to do with managed purpose lanes locally?' I think that one of the things we look at is we know going forward that as we grow in a community and know what the limitations we have in our transportation funding, not only statewide, but locally that we should have a strategy that is more than one way. We need to have multiple ways to address this issue and that managed lanes going forward is one of the tools that we want to have available.

Councilmember Austin said we have been truly been put between a rock and a hard place and it was done so very strategically I believe by our Governor and I haven't seen this much misinformation, half-truths, threats and bullying since the last season of Scandal. I have been in great thought over the week-end and I have read as much material as I can possibly find to try to find the truth. At this point I am ready to make that vote; I do believe in managed lanes as one avenue that we can use to try to relieve congestion and move our community forward. We have had 48,000 people move into the Charlotte region since 2010; that is a whole lot of people and we need to get them moving around this City and this region. The managed lane concept itself I

think is a valid one, however where I take issue is this contract; this contract that we didn't vet, we didn't sign but yet it is put right in our lap by the Governor and I think that is wrong and I think the people of our community deserve better. I think they knew this contract was not one that everybody would accept and I think they accelerated it forward. I think we need to put in a box, put a bow on it and send it back to the Governor's office. I will be voting for this part of it but I also think that we have another part that we need to discuss as well.

Mayor Roberts said thank you Councilmember Austin because I failed to be clear at the beginning that there are two things that we are going to vote on; the first one is on the strategy of using managed lanes and is not on any specific vote within the Committee, it is just on a strategy in general for relieving congestion for managed lanes.

Mr. Austin said my comment still stands.

Mayor Roberts said your comments still stands and I am going to allow Councilmembers to comment on each section separately so the second one is going to be directing our CRTPO representative to vote to reaffirm at the CRTPO meeting and we will get to that one after we talk about the general strategy.

Councilmember Driggs said it is interesting that I glanced over Councilmember Austin's notes and we both had rock in hard place written across the top. That is because we are deep into the implementation of the transit strategy that started 10-years ago. The contract was signed in 2014; the financial closing occurred last year, the contract has been found not to be unconstitutional and the OIG in Raleigh has not found that there was any breach that would allow us to simply abrogate our obligations so the only option we have to terminate the contract is for convenience pursuant to those terms. That is the status of our transit strategy and on the other hand there has been an outpouring tonight and from other places of opposition. It is a very late stage for the opposition to manifest itself but many of you have spoken very clearly that you don't like the tolls or that you think the contract is too expensive; you think that the 50-year term is like a jail sentence, you think the so called no-compete provisions are too limiting and Commissioner Puckett has made some very good point in conversations with me about how it is not responsive to area transportation needs. In thinking about this I sort crystalized in my mind four issue; one of them is do toll lanes work. A toll lane is a good thing but there is a faction that is focused on the fact that they don't like toll lanes. We've heard arguments about why they do work and personally if you had asked me a few years ago I would have been pretty unconvinced about it. I'm not here to advocate strongly for toll lanes but I will say that I do buy the argument that if we just try to keep ahead of the demand for roads to accommodate single occupant vehicles I don't think we are going to win. I'm not sure what the answer is, but I think just building more general purpose lanes is not going to get us there. I don't think we want to pay for it and I don't think we've got the space to do that and therefore I am open to the idea of toll lanes.

The second question is, is the Cintra P3 Contract a good deal and I think this is the biggest focus of attention, the suggestion that it is not a good deal, that it is a bad deal. I would say to that that the contract was originally negotiated at a time when we didn't feel that we had a lot of choices in the area and so we accepted the terms of the contract then in order to have any prospect of doing something on I-77 because many people felt in the conditions during the recession that was the only way that I-77 can move ahead. So is it a deal that we would want to do today, probably not and therefore we look at it now and it feel onerous, it feels restrictive and I can understand a lot of people don't like it. The one thing I will say about is the opportunity that we have to terminate it tonight is not special to tonight in the sense that the contract itself provides for the same termination that we are being asked to exercise at any time; three months from now, a year from now or whenever. The situation on the contract as far as I'm concerned is it is an onerous contract, but understandable in the context it is not by the way extraordinary on its terms. The terms of this particular contract are actually pretty similar to terms that have been accepted by other municipalities in projects that function perfectly well.

The last question I want to address is what would it cost to terminate the contract and we need to understand that in order to know what choices we might have or what the consequences might be in any action we take tonight. We've seen estimates from a consulting firm that ranged from \$80

million to \$300 million and I won't discuss my own take on what those numbers represent or how likely they are. I think it is fair to say that if we went to Cintra right now and we said we'd like you to go home that we would be on the hook for a substantial amount of money; I think probably \$80 million or more, probably not \$300 million.

Then the last question in connection with the cost is who pays that and we've heard conflicting opinions from Raleigh about whether that gets paid by the state when it decides not to pursue the contract or by the communities in the CRTPO who lobbied to have that contract revoked. I can tell you that if it turned out that way, and by the way, Senator Rucho and a number of very well placed people in the General Assembly have said no way the State of North Carolina is paying for that. That is going to be picked up by the communities that decided to do this about face and cause that cost to be incurred. For Charlotte that could mean a \$60 million to \$80 million tab. I point that out because that is something that we have to think about when we consider our choices. The biggest issue for me is that it is really hard to know with any certainty what would happen if we said tonight that we revoke the entire managed lane strategy. You hear different opinions expressed about things but the truth is one, we would be liable but let's step back a bit.

If we said tonight we revoke the strategy that creates a pretty strong presumption that we do not support the contract either and I think therefore one of the reasons many of you tonight are urging us to revoke the whole strategy is the consequence of that would be a vote of no confidence when it came to that contract and that is a means to which the contract could get revoked, but it is not actually the way it should work. We are sitting here tonight deciding whether all of the reasons we have for adopting managed lane strategy in the first place have any validity and what I find difficult and I had mentioned this to the Secretary in our Dinner Meeting, I don't like the idea that this Council is being required to choose between affirming the I-77 contract that so many of you find offensive or revoking our entire managed lanes strategy which would actually have some fairly major repercussions at this point.

If I had been involved at the beginning I might have agreed with you that this was a bad direction but what I'm looking at right now is \$1.2 billion of funding that are associated with the particular projects, including one in my District on I-485 and that costs. If we said no tonight we would be saying okay, let's just incur all this costs suffer that uncertainty and for what. What would happen then? There is an STI and the projects would get scored again, they would get resubmitted, they could do well but I would assume, particularly in my District on I-485 there would have to be a delay from the current estimated completion date of 2019 by several years so I just wish I could be more responsive to your concerns in the knowledge that I knew what it is you want instead of just what you don't want. So in that spirit I have to vote against discarding the plan and what I tried to do in conversations with my colleagues is cast that vote and have us all make clear that we are not thereby affirming the I-77 contract. I told the Secretary tonight and I've also spoken to people in Raleigh and said I wouldn't want us to affirm our plan and then be told well you guys said you liked the I-77 contract. The Secretary acknowledged tonight that there things that he is now aware of that he has heard you that need to be looked at. If we say we want to stick to our strategy, the transit plan can be changed; there is nothing that says it is impossible to change the plan, it gets changed all the time, and the contract can be terminated on exactly the same terms as it could be if we voted tonight at a future date. To these reasons, somewhat reluctantly because I do have sympathy with what you said tonight but I cannot vote to discard our entire transit strategy.

Mayor Roberts said thank you Councilmember Driggs; I think you did a great job of explaining the choice we had tonight.

Councilmember Autry said thank all of you for coming here tonight. It has been an interesting couple of weeks to say the least. I just need to say that there is not a road wide enough to deal with growth. Everything is going to fill up at some point or another. Right now we are decimating businesses along the US-74 corridor to widen that road; those businesses aren't coming back, it is never going to be the same, but yet the capacity is improved by a lane in each direction, more overpasses being built but it will be maxed out again within a couple of months. It is also interesting to see that when most people would support basic economic theory like supply, demand, free market and controlling demand through pricing or in this case using tolls that we continue to argue for more and more free general purpose lane capacity. The whole
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premise of future capacity is that you don't want to squander an investment in limited supply, new lanes, toll lanes so you regulate the demand for it with pricing. An argument about gas taxes already being paid, I don't know how to say that, but we have to buy 2016 roads and materials which costs 2016 dollars with 1990 era gas taxes. A 2016 copy of the Charlotte Observer, and yes I do continue to read the Observer from time to time, costs me \$1.25 a day. The Observer would cancel my subscription if I wanted to pay them 1993 prices for it and 1993 was the last time our federal gas taxes were raised. I also believe in rapid transit public transportation and I don't know how we are going to have bus rapid transit running down I-77 along I-485 or down US-74 without the managed lane so that the bus can be assured a reliable transit time. Public transportation is a way a lot of the poor people in our community get around and to have them stuck in traffic, I just think that 100 people on a bus are entitled to 100 times the infrastructure as one person in an individual automobile. So I continue to support the managed lanes strategy and I understand that there are problems with this contract. I don't think Mr. Tennyson was the Secretary when the contract was negotiated; I think it is unfair to put all that on him, but we also discussed earlier this evening about the mechanisms they have to negotiate and renegotiate any aspects of that contract. That exist, but that means people have to come together and say what are we going to do instead of this. I love being between a rock and a hard place, it gives me two places to smash my brains out with.

Councilmember Kinsey said I think that is what we've been doing for the past couple of weeks – smashing our brains out. We've been dealt a hard hand here and I can't really disagree with anything that has been said so I'm not going to say it again but I will just address what we have before us and that is to approve the Transportation and Planning Committee's recommendation to endorse the managed lanes strategy. I have voted for that I guess every time it has come before the Council; I've been on the Transportation and Planning Committee now for several years and any time it has come before Council I have voted for it and I while I don't like everything surrounding it I'm not going to change tonight and I will vote yes again.

Councilmember Fallon said I support reasonable tolls; I support a reasonable managed lane. What I do not support is highway robbery. I'm an at-large representative which means I take in all of Charlotte; I am responsible for everybody here. The people that can afford it least are not being heard and I must look at that. I can't support this because I will say something very politically incorrect; deaf, dumb and blind wrote this contract because no normal person would have given away everything.

Councilmember Eiselt said I've been in office one month now; this did not come up one time on the campaign trail, not one time so I'm in a position of trying to come up to speed very, very quickly on this toll concept. I've had to sort through what is truth and what is not truth which has been very difficult to do. I have spent a lot of time on both sides of the issue listening to everyone I could with my own time permitting. I'm here tonight just devastated to have to take a vote because it is just a really complicated deal and I hear what people are saying, however I ran on a campaign of mass transit, I support mass transit as a strategy for the problems in our region. I support the notion that we've got to get people use to mass transit; I wish we could build the Red Line now but we can't and I like the idea of buses being able to use this corridor. To address the fact that people can't afford the managed lanes; they can afford buses and buses will use this for free. I support managed lanes as a strategy for our region. I have listened to what everybody has said, the respectful one and no so respectful ones but a lot of what I've heard tonight is that you oppose the paying to ride on managed lanes. I've also heard that people think that the contract is a bad contract and I have to focus on the contract itself; it isn't our job to negotiate this contract, it is our job to set policy. Councilmember Driggs brought up the point that I have focused on that at any time we could cancel this contract and it would be cancelled for a matter of convenience. That triggers penalties and we know that. The Governor has made written threats to us that we are going to incur those fees and so what I'm saying now is if this contract is cancelled for a matter of convenience and fees kick in then let's take the time to find out what those mean and that can be done at any time. That is why I don't think that we should be postponing the strategy, it is still a strategy but \$100 million in fees, penalties to our region at a time when we are telling people we can afford to pay our teachers, we can't afford to house the weakest citizens in our community to me is just irresponsible. If people want to come up with a Plan B, which I haven't heard, which includes the cost of cancelling this contract, who assumes

that penalty and the cost of option B, how do we relieve congestion now and for the next generation then I'm happy to hear that.

Ms. Lyles said one of the very first things that I would like to talk about is that this is not the only big decision that we have in our future. Over 16,000 people moved to our community a year; they bring with them about 9,000 cars and these are people that are bringing their families because they choose to live and work in our community. We recruit new businesses, a number of them international businesses and those employers create opportunities for all of us, so the first thing that I want to say is that I can think we can do better in our dialogue in the future and I hope that we will. We need to figure out a way to do that, we need to figure out how to have this conversation because the last thing that we want to do is stop being the kind of inviting and welcoming community that we have now and it is available to us and I commit to whatever we can do that. I also know that major transportation improvements are part of our growth since we are a crossroad to all of the work that we are doing right now and I have clearly heard you say there are issues with the contract, there are issues with tolls, there is need for general purpose lanes, I understand all of that but right now we are trying to deal with the strategy that we can use for this place and this time right now. We have supported managed lanes over five years until recently and now there is this great debate but many of my colleagues refer to some of the issues around this. We don't know what it would mean if we had to cancel the contract; we don't know how we as a local governmental body in this region could actually make a decision to cancel a contract signed between NC-DOT and a vendor. Now the Governor has posed to us this question about, well this is about your managed lane strategy, you say we are going to do this, how do we know that we can trust each other to go forward. I don't know how to solve that right now but I do want you to know this reminds me a lot of some of the debate I remember when we had in Charlotte when we were building Route 4, if you remember Route 4 is one of our inner local roads that goes around our City and a lot of that debate was around the same kind of arguments that you are making right now, we don't need to build and destroy this, we need to continue to just use what we have. I would say to you that I think the North Meck Towns really need to look at the ways that you can build alternative routes in your community besides I-77. I understand the position of the lake, I know enough geography about that, but I also know that that requires a huge environmental impact study that has to be undertaken and we can start doing that now.

I heard you and I understand some of the tough decisions that are being made but when I talk about our community I know that we always talk about a special place, this being a special place with a great business environment, a great Airport, public/private partnerships that we've had, our culture of inclusion, our compassion for the many people that need to work in this community. This decision for me is really very difficult in some respects, but very, very easy in others. We need to continue to be a welcoming and inviting place for this community and building a managed lane is not just building this road, not just I-77, I-485 or Independence, it is about continuing to expand our infrastructure choices so that we can continue to grow in a way that we can all be proud of. Again it is not the only big decision we will have on our plate and I hope that we can learn some lessons from this on how to begin to do it better and in a way that is more inclusive.

Councilmember Mitchell said first of all let me thank you for your feedback we have received from the e-mails as well as your voice mails. Thank you for acknowledging what position this puts in here today. This is not a good day for regionalism; I think when we talk about growing regionally we talk about hand in hand which leads to possibility instead of the position we are in now we talking about [inaudible] I agree with you and I think no one disputes the fact that this is a bad contract that falls in the lap of the NC-DOT, not the Charlotte City Council, but I have to support my colleagues work on the managed lane strategy because we really believe that if we are going to move our City and grow our great City we need a better traffic network for the City of Charlotte. I hope after tonight we can continue to work together and really make this a better region for all.

Councilmember Phipps said I guess by virtue of me seconding this motion that means I support the managed lane strategy. Unlike some of my colleagues I have a unique perspective on this issue; when I was on the Planning Commission back in 2009 and I was the delegate for the Planning Commission on MUMPO so I was a non-voting member and as I look back on those
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days I'm sort of glad I was a non-voting member. So I was there back in 2009 and 2010 when the Managed Lane Study was conducted and approved; I was also there in 2011 and 2013 when MUMPO and the CRTPO voted for the I-77 north project. I was there when the northern towns voted with the Managed Lane Strategy back then; a lot of decisions were made based on those approvals and that is why we are here now listening to some changes of opinion and minds. I'm from Virginia; I'm used to paying tolls, we had tolls in Virginia and they were mandatory tolls. Granted they were only 25 cents and 50 cents but had I had managed lanes there for optional tolls I definitely would have taken them. I dare say that I cannot foresee me ever paying \$10 each way for a toll; I just can't see me wanting to go to Charlotte or to the northern towns that quickly that would make me want to pay that amount of money and vice versa. I do acknowledge and I appreciate the fact that you know we are in a bad situation; my support for the managed lane project was in support of the overall transportation plan. I'm not in favor of the deal per se and I appreciate the fact that you recognize that the transactions are two separate transactions. There has been a tendency in a lot of this debate to more or less link those two together as being more or less one in the same that we have an equal voice and equal authority to vote on each one the same way, the veracity of the contract versus whether or not we want to continue with our strategy. I haven't heard anything really that could really give me in comfort in knowing what we would do if we reversed this strategy. They tell me it could take years to get to a point where we would include some of these projects. Can we afford to wait for more growth and congestion over multiple year periods, I don't think so. So it is a tough decision to be in but we are in it I'm going to be supporting the Managed Lane Strategy and my vote will be in support of directing our representative to vote that way. Recently the Mayor appointed me as an alternate delegate to CRTPO and I can assure you I will do everything in my power to make sure Ms. Lyles does not miss one vote.

Councilmember Smith said I appreciate you all staying around tonight; sometimes I wish we could be limited to three minutes. I'm going to speak to both B and C; they are just too close for me to separate. It will make my comments a little more cumbersome but so be it. The managed lanes may prove to be a successful strategy, time will tell but I'm not yet sold that a planner's utopian thought to change behavior will work. I ride up I-77 a fair amount to do business up north and I rarely see the carpool lane put in use. I'm out US-74 a fair amount to do business and I have yet to see a bus riding down the center lane, not to say they don't do it, I've just never seen it. I will be a no vote on Item B; Item C, the directed vote I'm being asked to vote on an incredibly divisive policy that I played no role in creating. Only because there are no stated acceptable or immediate alternatives; this isn't enough to sway me. I think it is time for a reset but it is not enough to sway me to vote yes.

Councilmember Mayfield said going back to the original motion and second which is strictly for B, approve the Transportation and Planning Committee's recommendation to endorse the Managed Lane Strategy and not C since C is a separate vote; yes I support the plan that we created as a community on Managed Lanes. When we get to C which is to directive of how our representative to CRTPO should be voting on our behalf there will be a different conversation.

The vote was taken on Item 13-B and recorded as follows:

YEAS: Councilmembers Austin, Autry, Driggs, Eiselt, Kinsey, Lyles, Mayfield, Mitchell and Phipps.

NAYS: Councilmembers Fallon and Smith.

Mayor Roberts said for Agenda Item No. 13-C I will call on Councilmember Mitchell to make that motion.

Motion was made by Councilmember Mitchell, seconded by Councilmember Autry to direct the City Council Representative on CRTPO to vote to reaffirm the City's support of managed lanes as one of the strategies related to congestion, mitigation for the region based on the following four principles: Council reaffirms that the I-77 contract is not the responsibility of our local governments, individually or collectively, as the CRTPO. This includes this award, negotiation and management. Council acknowledges the public concerns about the I-77 contract; those concerns should be recognized and considered with deliberation by the North Carolina Department of Transportation. Council does not support any CRTPO action that could result in the City having to cover any costs from the amendment or cancellation of the I-77 contract. This Council supports the currently funded project in the Regional Transportation Plan and does not support any CRTPO action that will result in any loss of transportation funding to the Charlotte Region.

Ms. Mayfield said I asked the question earlier this evening when we had the meeting and that question was exactly when was this contract approved since we are having this discussion this evening. This contract was originally approved and signed off on in June of 2014 so I made the analogy of the horse and cart and why are we having to have this conversation on a contract that has already been approved. I've also heard from individuals that it would be irresponsible to vote against moving forward with this particular project and we've heard through the conversations tonight a number of threats against Charlotte whether we vote yes or no; that we are going to be held responsible potentially for millions of dollars on a contract that was signed in 2014 when we are having a vote in 2016 and logic would say municipalities should have been a part of that conversation prior to the contract being signed, but that is not what we are talking about right now. What we are talking about is the level of fear that does not work for me coming from our representatives that we elected so my plug to you all, get out and vote, opposed to looking to Charlotte to be upset about a decision your State Representatives are making. Then I look at the accountability, but at the same time these same Representatives identified a billion dollars in tax breaks for the wealthy but yet we don't have money to pay for our roads and you tied three of our major projects, US-74, I-77 and I-485 into this 50-year potential contract, but then you ask us a year and a half later to sign off on it. So personally I feel that it was completely irresponsible of not only Governor McCrory, but also any and all elected officials that sign off on this contract without the municipalities having full understanding of what any implication and at least coming back with three options because if you are going to put out and RFP, just like we do on this level for any contracts, there is a lot of conversation as far as who is going to be the company that chosen to lead this contract. So I have some very clear concerns about that; so looking at the fact that our elected officials did choose to sign this contract without us having very little say so in it and the fact that whether we vote against or in support of tonight the reality is Charlotte still sacrifices regardless of which way we go. Part B was whether or not I approve and support our Managed Lane Strategy, yes I do support our Managed Lane Strategy; I have said that in every move support and every time I was asked. What I do not support is the current implementation of this plan that has been contracted by our elected leaders. I say elected because depending on whether you do what you are supposed to do you will make some changes in the next couple of months. I personally am going to be voting my conscious because whether it is two weeks from now or 20-years from I'm not going to be on record saying yes to this so my no to Item C is a no directive to the current strategy to implement managed lanes at the CRTPO meeting.

Mr. Smith said I've already spoken to it.

Mr. Phipps said I've already spoken to it also but I'm going to be voting to reaffirm our strategy. I was delighted this past spring when the final leg of I-485 opened up after about 20-years of road work and I don't want to see us waiting again for another 20-years to complete a highway project. I will be voting to reaffirm and I don't think it is in our best interest now to reverse course on our strategy.

Ms. Lyles said I think the principles in the motion are important; I think without this direction of reaffirming that we end up in no-man's land so I'm going to support the motion.

Ms. Eiselt said in lieu of knowing what the penalties are and the cost is to us of cancelling this I reaffirm the motion.

Ms. Fallon said I'm a no because a bad contract is a bad contract; you cannot make it look good and you have to live with the consequences of it and I'm afraid of the consequences of this contract.

Ms. Kinsey said it has already been said but I want to reiterate how much we appreciate you being down here tonight and hanging in with us until almost 11:00. I also want to assure you that we have really studied this issue and I think it is pretty safe for me to say that those of us around the dais have spent an awful lot of time on this issue this past week or so. We've read our e-mails and we've heard you. I don't like the contract, that is the one part of it I'm not happy with but I'm going to vote yes, but Mr. Mitchell this is one time when I'm really holding my nose and voting yes.

Mr. Autry said I will join my colleague Ms. Kinsey in holding my nose. Should we be building other means of transportation and moving our citizens around the region yes, so where is that right-of-way. How do we reaffirm the strategy of managed lanes without telling our representative to go back to the CRTPO and vote to reaffirm this strategy. I wish there was a way that we could say that this contract is convoluted; wait a minute, there is a way, this contract is convoluted. This contract presents lots of issues and problems and we've heard it all from all sides and I find it interesting that it has come to this point and that this task is laid on us to reverse the course. If we reverse this course I don't know where we end up and I don't know what we end up with and I don't know what the future is for rapid transit down these corridors that are so important for people to get around. I will be a yes on directing the vote to our CRTPO representative and I would encourage my colleagues to do likewise.

Mr. Driggs said I just wanted to say the reason we have a Part B and a Part C is precisely because we didn't like the way staying to our strategy it would imply also for a new contract so I think we looked at governance issues and we said whose job is it to negotiate this contract, who has the authority to terminate the contract and the truth is the CRTPO doesn't. What happens is you get a funding allocation; you have a transit plan and NC-DOT is responsible for all aspects. The problem of course with that is that you are left; everybody is going like this, and I feel a little bit like that myself, I'm not sure where I would go. I've talked to the Governor and the Secretary and I did ask in a Committee meeting who has the final decision about this because if we say that we don't have that decision and in fact the CRTPO doesn't then who does. In fact the termination letter has to come from the Secretary but I'm not sure if the Secretary would want to write that letter without knowing that he had some authority instructing him. I think the point about this vote is we have to do something that is consistent with our plan, but we want to limit ourselves to reaffirming our strategy and not have that taken as an endorsement by us of the contract and all of its terms. I think the conversation about whether the contract should be modified and your objections you have raised should continue and the contract should be re-examined just as we were asked to do tonight, but in the greater fullness of time and knowing what would happen if in fact it was terminated. Where would we be going if we got off horse; what horse are we getting on. Again on that basis I'm not completely comfortable but I have to support this motion.

Mr. Austin said I've been in some prayer about this whole issue and what we are going through as a Council and as a community. None of this feels good – none of it. None of us are going to win, we are in kind of a lose/lose situation here regardless of what we do. I don't know how this is going to play out at the actual CRTPO meeting. My personal feelings are similar to what Ms. Mayfield said, I do support managed lane and I take issue with this contract as I said earlier. Mr. Mitchell's motion sounds good but I guess it just doesn't get to the heart of what I feel; it doesn't send the message I want to send which is I don't like this contract, I want you to take it back, I need you to give some leadership to it and come up with something better for our community. For me unfortunately I'm not going to be able to support Item C; I do support the managed lane concept but I'm not supporting Item C.

Mayor Roberts said I don't have a vote but I do have an opinion and I just want to say that I really appreciate the hard work of our region in trying to solve congestion. We have an
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incredible place people want to live, work and raise their families and we are going to work together as a region to continue to make Charlotte, Huntersville, Mooresville and all the communities around us, all of our towns to the south, north, east and west that are impacted by our transportation options. We are going to continue to work to make this a great place to continue to be a great place to live, work and raise families. I'm disappointed on the choice that we had tonight; we have a [inaudible] victory, we have a [inaudible] choice and I am also disappointed in the different voices we heard from the state from different representatives about the outcome of which every way that we voted because we heard from some representatives that if we voted to reaffirm that they would take away transit funding and take away road funding and stick us with penalties on other things. Then we heard from other representatives that if we voted against reaffirming they would take away road money and stick us with penalties. Really we didn't have good information about our choices, about the alternatives and we have a lot of different people talking about a lot of different outcomes. What we need all those folks who are here tonight and who are watching, who are engaged in this process need to stay engaged because our transportation and planning is an ongoing process. We have open meetings, we have a committee that is a regional committee that is going to continue to hear from everyone and we want to work together. We don't need to have threats and we don't need to have things connected that are actually separate issues. We need to continue to work in an open fashion and we will do that. I am proud of the work that this Council has done; we have listened very carefully, we have stayed up way past the hour but it is because we know how important this is. It is an ongoing process; we know this conversation will continue and that is what I want to make sure people know as others have mentioned. This is a contract we continue to look at, we can have input on and we all know, anyone who has done construction, knows that things change as construction develops, finding things under the ground you didn't know were there. That is going to happen, please stay engaged and thank you so much for your attention tonight and for caring about this community.

The vote was taken on Item C and recorded as follows:

YEAS: Councilmembers Autry, Driggs, Eiselt, Kinsey, Lyles, Mitchell and Phipps.

NAYS: Councilmembers Austin, Fallon, Mayfield and Smith.

POLICY

ITEM NO. 14: CITY MANAGER'S REPORT

City Manager Ron Carlee said no report tonight.

BUSINESS

ITEM NO. 18: NOMINATIONS TO THE PLANNING COMMISSION

The following nominations were made for one appointment for an unexpired term beginning immediately and ending June 30, 2016:

Sam Spencer, nominated by Councilmembers Austin, Autry, Driggs, Kinsey, Lyles, Mayfield, Mitchell and Phipps.

Irving Schechel, nominated by Councilmembers Fallon and Smith

Motion was made by Councilmember Mitchell, seconded by Councilmember Autry, and carried unanimously to appoint Sam Spencer by acclamation.
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Mr. Spencer was appointed.

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ITEM ON. 19: APPOINTMENT TO KEEP CHARLOTTE BEAUTIFUL

The following nominees were considered for one appointment for an unexpired term beginning immediately and ending June 30, 2018:

Taylor Lee, nominated by Councilmember Mitchell
Dave Pettine, nominated by Councilmembers Driggs, Lyles, Phipps and Smith.
Amy Villegas-McCleave, nominated by Councilmembers Austin, Autry and Mayfield.
Brian Withrow, nominated by Councilmembers Fallon and Kinsey
None of the above, by Councilmember Eiselt.

Motion was made by Councilmember Mitchell, seconded by Councilmember Austin, and carried unanimously to carry over the appointment at the next business meeting.

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ITEM NO. 20: APPOINTMENTS TO THE TREE ADVISORY COMMITTEE

The following nominees were considered for two appointments for a three year term beginning immediately and ending December 13, 2018:

Patrick Bradey, nominated by Councilmember Kinsey
Chris Breedlove, nominated by Councilmembers Driggs, Kinsey and Smith
Madeline Degrace, nominated by Councilmembers Austin, Autry, Lyles, Mayfield and Phipps
Kimberly Sanders, nominated by Councilmembers Austin, Driggs, Fallon, Lyles and Phipps.
None of the above, Councilmembers Eiselt and Mitchell

Motion was made by Councilmember Mitchell, seconded by Councilmember Autry, and carried unanimously to appoint Madeline DeGrace and Kimberly Sanders.

Ms. DeGrace and Ms. Sanders were appointed.

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ITEM NO. 21: MAYOR AND COUNCIL TOPICS

Councilmember Mayfield said I want to remind everyone that our 2016 annual Martin Luther King, Jr. celebration kicks off this Friday afternoon which is always on his birthday; we have a quick 30-minute program at Marshall Park directly in front of the King statue. Actually Thursday evening starts the Arts and Writing Contest for CMS; the parade which we have over 100 participants in the parade this year as well as the fact that it is identified as an extraordinary event will be happening on Saturday, and on Monday we will be having an amazing speaker and that event will be happening Monday morning at 10:00 at Holton Arena. We have an amazing Congressman who was a civil rights leader as well as a Grammy Award winning group that is going to be performing for those that are interested. You can go to charlottenc\mlk to get any information or to receive any information or go to www.charlottegov.com. We would love for the community to come out and on Sunday for those of you not watching the game, Hands on Charlotte we have an opportunity for you to do a little bit of community service for an hour or so. Come out this week-end and celebrate the week long events with us.

Mayor Roberts said I look forward to being the Grand Marshall for the MLK Parade.

Councilmember Smith said I want to thank Debra Campbell, Ron Kimble from staff for their hard work on putting the ULI Panel together. I don't win a lot of votes up here so it is great to be on the unanimous side of one and this is a really important issue for me and my community. I really appreciate my colleagues supporting it and I appreciate the hard work staff put into it.

Councilmember Phipps said I would like for the residents of District 4 to save the date; I'm hosing on Tuesday, January 26th the Northeast Corridor Transportation Update public meeting will be held at the Newell Presbyterian Church, 1500 Rocky River Road. We will have an update on all the various projects going on up in that area; we've got a lot going on beyond what is happening with the Blue Line Extension. We've got the double track project, a lot of NEISSE projects going on up there so this is going to be an update. The last time we had it about 200 people showed up so I want to invite my colleagues, especially members of the Transportation and Planning Committee. January 26th, 6:00 p.m. to 8:00 p.m. Newell Presbyterian Church.

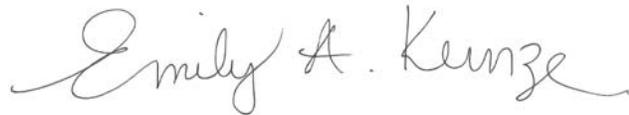
Councilmember Lyles said I want to say thank you to the Management Team and the Transportation folks; this is a very difficult issue on our Managed Lane Strategy. It has been months of discussion and lots of hours. I also want to thank each and every one of you for the thoughtfulness and the time and energy that you spent in a way that I think we may not have had a unanimous vote but I think we all had the opportunity to present those ideas to have a really good discussion and that in itself for me is a real success. I also want to say I've got on my blue – GO PANTHERS.

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ADJOURNMENT

Motion was made by Councilmember Fallon, seconded by Councilmember Austin, and carried unanimously to adjourn the meeting.
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The meeting was adjourned at 11:11 p.m.



Emily A. Kunze, Deputy City Clerk

Length of Meeting: 5 Hours, 59 Minutes
Minutes Completed: January 27, 2016