

City of Charlotte

*Charlotte-Mecklenburg Government Center
600 East 4th Street
Charlotte, NC 28202*



Meeting Agenda

Monday, February 24, 2025

Council Chamber

City Council Business Meeting

*Mayor Vi Lyles
Mayor Pro Tem Danté Anderson
Council Member Dimple Ajmera
Council Member Tariq Scott Bokhari
Council Member Tiawana Brown
Council Member Ed Driggs
Council Member Malcolm Graham
Council Member Reneé Johnson
Council Member LaWana Mayfield
Council Member James Mitchell
Council Member Marjorie Molina
Council Member Victoria Watlington*

5:00 P.M. CITY COUNCIL ACTION REVIEW AND CONSENT AGENDA, CHARLOTTE-MECKLENBURG GOVERNMENT CENTER, REGULAR MEETING ROOM 267

This meeting will also be accessible via the Government Channel, the City's Facebook page, and the City's YouTube channel.

1. Mayor and Council Consent Item Questions and Answers

Staff Resource(s):

Marie Harris, Strategy and Budget

Time: 5 minutes

Synopsis

Mayor and Council may ask questions about Consent agenda items.

[2025-02-24 Council Agenda QA](#)

2. Consent agenda items 13 through 30 may be considered in one motion except for those items removed by a Council member. Items are removed by notifying the City Clerk.

Time: 10 minutes

Consideration of Consent Items shall occur in the following order:

- A. Items that have not been pulled, and
- B. Items with residents signed up to speak to the item.

3. Action Review Agenda Overview

Staff Resource(s):

Marcus Jones, City Manager

4. Action Review Items

The Evolution of Transit-Oriented Development

Staff Resource(s):

Monica Holmes, Planning, Design, and Development
Warren Wooten, Housing and Neighborhood Services

Time: Presentation - 20 minutes; Discussion - 30 minutes

Explanation

- Provide an overview and update on Transit Oriented Development.

[Evolution of TOD presentation](#)

5. Closed Session (as necessary)

**6:30 P.M. CITY COUNCIL BUSINESS MEETING,
CHARLOTTE-MECKLENBURG GOVERNMENT CENTER,
COUNCIL CHAMBER**

Call to Order

Introductions

Invocation

Pledge of Allegiance

PUBLIC FORUM

6. Public Forum

PUBLIC HEARING

7. Public Hearing on Norfolk Southern O-Line Corridor Acquisition Financing

Action:

- A. Conduct a public hearing on approval of directly placed installment financing contract in an amount not to exceed \$93,000,000, and
- B. Adopt a resolution authorizing and approving a directly placed installment financing contract in an amount not to exceed \$93,000,000.

Staff Resource(s):

Teresa Smith, Finance

Matthew Hastedt, Finance

Explanation

- On September 3, 2024, City Council approved the acquisition of approximately 22 miles of the O-Line railroad right-of-way, track improvements, and other real property rights from Charlotte to the Mecklenburg County line in the amount of \$74 million.
- On the same day, City Council also approved the purchase of approximately 1.6 acres of real property and any associated real property rights located near the Charlotte Gateway Station, in the amount of \$17 million.
- This directly placed installment financing contract will reimburse the city for the acquisition costs related to Norfolk Southern O-Line Corridor for the Red Line Commuter Rail Project.
- The acquisition of the corridor protects the city and any future transit agency's rights to operate commuter rail to northern towns in Mecklenburg County. This action provides financing for this purchase.
- The North Carolina Local Government Commission is expected to review and approve the variable rate installment financing at their April 2025 meeting.

Fiscal Note

Funding: Municipal Debt Service Fund

Attachment(s)

Extracts from the Minutes of City Council

Resolution

[Resolution - Norfolk Southern O-Line Corridor Acquisition Financing](#)[Extract of Public Hearing Minutes - 2025 IFC Red Line Acquisition](#)

POLICY

8. City Manager's Report

[02.24.2025 City Manager's Memo](#)

BUSINESS**9. National League of Cities' 2029 City Summit****Action:**

Adopt a resolution in support of hosting the National League of Cities' 2029 City Summit in Charlotte.

Resource:

James Mitchell, City Councilmember

Explanation

- The National League of Cities (NLC) is a membership organization of over 1,900 cities and towns in the United States.
- The NLC's City Summit is one of the most comprehensive and impactful gatherings for local elected officials and municipal staff.
- Charlotte previously hosted the NLC annual National Congress in 2005 and the City Summit in 2017.
- The National League of Cities Board of Directors has asked the city to host the 2029 City Summit on November 9-19, 2029.

Attachment(s)

Resolution

[Resolution - National League of Cities' 2029 City Summit](#)

10. Upset Bid Process for City-Owned Property on East 27th Street

Action:

- A. **Adopt a resolution authorizing Upset Bid Process for a portion of land containing approximately 0.065 acres from the 0.180-acre city-owned parcel (parcel identification number 083-051-09) located near North Brevard Street, Charlotte, North Carolina, and**
- B. **Direct the City Clerk to cause a notice of the proposed sale to be published which shall describe the property, the amount of the offer, and the terms under which the offer may be upset.**

Staff Resource(s):

Phil Reiger, General Services

Gregory Crawford, General Services

Explanation

- Gambills II, LLC (Gambills) proposes to purchase approximately 0.065 acres of city-owned property near East 27th Street, which is zoned Transit Oriented Development-Urban Center and located in Council District 1.
- Gambills owns property adjacent to this property: parcel identification number 083-051-03.
- This property is an old rail spur purchased by the Charlotte Area Transit System for the Blue Line Extension as approved by City Council on March 26, 2012.
- Since this parcel has been determined to be surplus, it is eligible to be marketed and sold.
- The property to be put up for bid was transferred to General Services (formerly Engineering & Property Management) for the Cross Charlotte Trail Project.
- Council has the authority to sell properties through the upset bid procedures according to NC General Statute §160A-269, and Section 8.22 of the city's Charter.
- This has been through the standard mandatory referral process.
- The property was appraised by Cushman & Wakefield of North Carolina, Inc., a certified appraiser, for \$57,000.
- An offer to purchase in the amount of \$57,000, along with the required five percent deposit from Gambills II has been made.
- This action is consistent with the City-Owned Real Estate and Facilities Policy. The intent of the policy is to ensure the acquisition, use, management, and disposition of the city-owned property demonstrate responsible, responsive, and transparent management of public resources and are consistent with City Council priorities core services.

Fiscal Note

Funding: Proceeds from the sale of the property will be deposited in the General Fund

Attachment(s)

Map

Resolution

[Map - City-Owned Property on East 27th St](#)

[Resolution - Upset Bid Process for City-Owned Property on East 27th Street](#)

11. Adopt an Initial Findings Resolution and Set a Public Hearing on Airport 2025 General Airport Revenue Bonds

Action:

Adopt an initial findings resolution authorizing the City Manager, or his designee, to make appropriate application to the Local Government Commission for issuance of General Airport Revenue Bonds not to exceed \$350,000,000 and setting a public hearing on April 28, 2025, for this financing as required by Internal Revenue Service regulations.

Staff Resource(s):

Teresa Smith, Finance
Haley Gentry, Aviation
Matthew Hastedt, Finance

Explanation

- This action authorizes the issuance of up to \$350 million in General Airport Revenue Bonds (GARBs) comprised of the following:
 - New revenue bonds up to \$280 million to provide permanent financing for projects listed below, and
 - Refunding of the 2014A up to \$70 million outstanding General Airport Revenue Bonds.
- The 2025 GARBs will provide long-term financing for the following or other similar projects which are part of the Aviation Capital Investment Plan:
 - Concourse D Renovations, and
 - Fourth Parallel Runway Program.
- Long-term financing authorized by these actions is secured by Airport revenue, and the Airport's signatory airlines have approved the projects.
- Prior to issuing this debt, a third-party feasibility study will be completed to indicate that sufficient revenues are forecasted to be available to repay the debt.
- Debt issuances must be approved by the Local Government Commission (LGC). Action A authorizes the city to submit an application for the issuances to the LGC for approval.
- Internal Revenue Service regulations require a public hearing on new, tax-exempt, debt-funded projects.

Fiscal Note

Funding: Airport Debt Service Fund

Attachment(s)

Initial Findings Resolution

[Initial Findings Resolution - Airport 2025 General Airport Revenue Bonds](#)

APPOINTMENTS

12. Appointments to the Public Transit Advisory Committee

Action:

Appoint residents to serve as specified.

Staff Resource(s):

Brent Cagle, CATS

Elizabeth Presutti, CATS

Explanation

- Two appointments for a two-year term beginning immediately and ending December 31, 2026.
 - Robert Hillman, nominated by Council member Johnson and Mayfield.
 - Tonya Jameson, nominated by Council member Driggs, Graham, Mitchell, and Molina.
 - Jim Marascio, nominated by Council member Bokhari and Driggs.
 - Vernetta Mitchell, nominated by Council member Mitchell and Molina.
 - Lauren Patterson, nominated by Council member Ajmera and Brown.

Attachment(s)

Public Transit Advisory Committee Applications

CONSENT

13. Automotive Parts, Supplies, and Inventory Management Services

Action:

- A. Approve contracts with the following companies for vehicle and equipment parts inventory management services for an initial term of five years:**
- **Genuine Parts Company,**
 - **Vector Fleet Management LLC, and**
- B. Authorize the City Manager to renew the contracts for up to two, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved.**

Staff Resource(s):

Phil Reiger, General Services
Sheila Anderson, General Services
Haley Gentry, Aviation

Explanation

- The city's Aviation operations and General Services Fleet Management Divisions operate a combined total of eight repair and maintenance facilities to support a diverse citywide fleet of over 7,100 vehicles and equipment.
- On August 9, 2024, the city issued a Request for Proposals (RFP); four responses were received.
- The companies selected best meet the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- Vector Fleet Management will establish and manage on-site parts operations for the Aviation Fleet Division, and Genuine Parts Company will establish and manage on-site parts operations for the Fleet Management Division.
- These contracts will cover staffing, management, service provision, original and aftermarket equipment parts, supplies, lubricants, specified tires, special equipment, and delivery vehicles to support city needs and ensure spare parts are always available.
- The prices stated in the contract shall remain fixed for the initial term. At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- Annual expenditures are estimated to be \$23,000,000.

Charlotte Business INclusion

The city negotiates contract participation after the proposal selection process. On these contracts, the Prime consultants have each committed 10.00% of the total contract amount to the following certified firm(s):

Genuine Parts Company

- Cape Fear Customs (MBE) (lighting, parts, supplies)
- Create Auto Body (MBE, SBE) (body shop, frame)
- Metro Fire Life Safety (SBE) (inventory management, sourcing)
- McNichols Auto Group (MBE, SBE) (automotive glass, supplies)

Vector Fleet Management LLC

- Create Auto Body (MBE, SBE) (body shop, frame)
- Metro Fire Life Safety (SBE) (inventory management, sourcing)
- McNichols Auto Group (MBE, SBE) (automotive glass, supplies)

Fiscal Note

Funding: Various Departments' Operating Budgets

14. Construction Manager at Risk for Northwest Division Police Station Project

Action:

Approve a contract in an amount not to exceed \$19,673,532 with Swinerton Builders for Construction Manager at Risk services for the construction phase of Charlotte-Mecklenburg Police Department Northwest Division Station project.

Staff Resource(s):

Phil Reiger, General Services

Kathleen Cishek, General Services

Mary Herington, General Services

Explanation

- This project will include the construction of a 15,900 square-foot police station at 1818 Mt-Holly Huntersville Road in Council District 2.
- Once completed, the Charlotte-Mecklenburg Police Department Northwest Division Station will be the city's first net zero carbon police division station.
- The city has selected the Construction Manager at Risk project delivery method to provide more effective coordination, to provide more certainty with project costs and schedule, and to better mitigate risks during construction.
- On April 2, 2024, the city issued a Request for Qualifications (RFQ); ten proposals were received.
- Swinerton Builders was selected as the best qualified firm to meet the city's needs for preconstruction and construction services on the basis of demonstrated competence and qualification of professional services in response to the RFQ requirements.
- The preconstruction phase contract with Swinerton Builders was executed on September 3, 2024, in the amount of \$88,000.
- This Guaranteed Maximum Price contract with Swinerton Builders is for construction phase services, including coordinating all construction activities, managing all subcontractors, and delivering the project in collaboration with the city and the design consultant.
- The project is anticipated to be complete by the second quarter of 2027.

Charlotte Business INclusion

The city has negotiated an overall project goal of 15.00% MBE and 10.00% WSBE. Because this is a Construction Manager at Risk, the Construction Manager has the opportunity to add Minority-owned Business Enterprises (MBE), Women-owned Business Enterprises (WBE), or Small Business Enterprise (SBE) firms throughout the life of the Project.

Fiscal Note

Funding: General Capital Investment Plan

Attachment(s)

Map

[Map - Charlotte-Mecklenburg Police Department Northwest Division Station Project](#)

15. Geotechnical and Construction Materials Testing and Special Inspection Services

Action:

- A. Approve unit price contracts with the following companies for geotechnical and construction materials testing, special inspections, and geothermal well and building enclosure testing services for an initial term of three years:**
- ESP Associates, Inc.,
 - Froehling & Robertson, Inc. (MBE),
 - Gavel & Dorn Engineering, PLLC,
 - Kleinfelder, Inc.,
 - Nova Engineering and Environmental, Inc.,
 - S&ME, Inc.,
 - Terracon Consultants, Inc.,
 - WSP USA Environment & Infrastructure Inc., and
- B. Authorize the City Manager to renew the contracts for up to two, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved.**

Staff Resource(s):

Phil Reiger, General Services

Kathleen Cishek, General Services

Explanation

- These contracts will provide geotechnical and construction materials testing, such as soil sampling and laboratory services, and special inspections for various construction projects within the city.
- Special inspections for vertical construction are required by the North Carolina Building Code and must be in compliance with Mecklenburg County Code Enforcement.
- Geotechnical and construction materials testing is necessary to ensure projects meet construction plans and specification requirements.
- On June 5, 2024, the city issued a Request for Qualifications (RFQ); 14 responses were received.
- The companies selected best meet the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- The prices stated in the contract shall remain fixed for the initial term. At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- Annual aggregate expenditures are estimated to be \$3,800,000.

Charlotte Business INCLUSION

The following Prime Consultant is an MBE firm and will self-count participation of the total contract amount:

- Froehling & Robertson, Inc. (MBE)

The city negotiates contract participation after the proposal selection process. The specific tasks and contract opportunities associated with these contracts are undefined; however, each of the following Prime consultants has identified MWSBE firms to be utilized:

ESP Associates, Inc.

- Capstone Civil Engineering, Inc. (MBE, SBE)
- Trimat Materials Testing, Inc. (MBE)
- Wells Geotech, LLC (SBE)
- Wescott Structures, PA (WBE, SBE)

Gavel & Dorn Engineering, PLLC

- Carolinas Geotechnical Group (SBE)

Kleinfelder, Inc.

- CWI Services, Inc (SBE)
- Hana Engineers and Consultants, LLC (SBE)
- 2MNEXT (MBE)

Nova Engineering and Environmental, Inc.

- Capstone Civil Engineering, Inc. (MBE, SBE)
- Center Line Locating, LLC (WBE, SBE)
- Enviro-Equipment, Inc. (SBE)
- Wells Geotech, LLC (SBE)

S&ME, Inc.

- Center Line Locating, LLC (WBE, SBE)
- Wells Geotech, LLC (SBE)
- 2MNext (MBE)

Terracon Consultants, Inc.

- Probe Utility Locating (WBE)
- Southern Engineering (SBE)

WSP USA Environment & Infrastructure Inc.

- Boyle Consulting Engineers (SBE)
- Wells Geotech, LLC (SBE)

Fiscal Note

Funding: General Capital Investment Plan

16. McCullough Drive Streetscape Improvements

Action:

Approve a contract in the amount of \$6,875,000.22 to the lowest responsive, responsible bidder Sealand Contractors Corp. for the McCullough Drive Streetscape Improvements project.

Staff Resource(s):

Phil Reiger, General Services
Kathleen Cishek, General Services
Keith Bryant, General Services

Explanation

- This project will improve safety and connectivity in the vicinity of the McCullough Drive light rail station in Council District 4 by adding buffered bike lanes and filling in sidewalk gaps on both sides of McCullough Drive from W.T. Harris Boulevard to North Tryon Street.
- Work will also include but is not limited to crosswalks, curb and gutter, handicap ramps, bicycle ramps, drainage infrastructure, retaining walls, safety rail, and signage.
- On November 21, 2024, the city issued an Invitation to Bid; four bids were received.
- Sealand Contractors Corp. was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by second quarter 2028.

Charlotte Business INClusion

Established MBE Goal: 5.00%

Committed MBE Goal: 5.00%

Sealand Contractors Corp. met the established contract goal and has committed 5.00% (\$343,755) of the total contract amount to the following certified firm(s):

- Darnell Jones Trucking Inc (MBE, SBE) (\$171,880) (hauling)
- Streeter Trucking Company Inc (MBE, SBE) (\$171,875) (hauling)

Established WBE Goal: 4.00%

Committed WBE Goal: 4.00%

Sealand Contractors Corp. met the established contract goal and has committed 4.00% (\$275,004) of the total contract amount to the following certified firm(s):

- Key's Trucking LLC (WBE, SBE) (\$106,525) (hauling)
- On Time Construction Inc (WBE, SBE) (\$168,479) (concrete)

Fiscal Note

Funding: General Capital Investment Plan

Attachment(s)

Map

[Map - McCullough Drive Streetscape Improvements](#)

17. On-Call Plumbing Services

Action:

- A. Approve contracts with the following companies for On-Call Plumbing Services for an initial term of three years:**
- **After Hours Plumbing, Inc. (SBE),**
 - **Armstrong Mechanical Services, Inc., and**
- B. Authorize the City Manager to renew the contracts for up to two, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved.**

Staff Resource(s):

Phil Reiger, General Services
David Wolfe, General Services
John Mrzygod, General Services

Explanation

- These contracts will provide as-needed plumbing services for facilities maintained by General Services Facilities Operations, including cultural facilities, firehouses, and police stations.
- On November 27, 2024, the city issued a Request for Proposals (RFP); two responses were received.
- The companies selected best meet the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- The prices stated in the contract shall remain fixed for the initial term. At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- Total annual aggregate expenditures are estimated to be \$500,000.

Charlotte Business INclusion

The city negotiates contract participation after the proposal selection process. On these contracts, the Prime Consultants have each committed 10.00% of the total contract amount to the following certified firm(s):

After Hours Plumbing, Inc. (SBE)

- Daystar Insulation (WBE) (pipe, mechanical)
- JE Brown Construction, LLC (SBE, WBE) (concrete, drywall)

Armstrong Mechanical Services, Inc.

- A-1 Quality (MBE) (insulation)
- Electric Systems Specialists, Inc. (SBE) (electrical)

Fiscal Note

Funding: General Services Operating Budget

18. Roadway Construction Services

Action:

Approve a contract in the amount of \$2,728,518.75 to the lowest responsive, responsible bidder Hux Contracting, LLC for the Specialized Roadway Construction Services Fiscal Year 25B project.

Staff Resource(s):

Phil Reiger, General Services
Kathleen Cishek, General Services
Tonia Wimberly, General Services

Explanation

- This contract will be used to construct various transportation infrastructure projects throughout the city.
- Work will include new concrete sidewalk, accessible ramps, pedestrian crossings, storm drain installation, sewer/water installations, milling and asphalt pavement, and pavement markings.
- Approximately 15 to 20 projects may be completed within the contract term of two years.
- On January 14, 2025, the city issued an Invitation to Bid (ITB); two bids were received.
 - NC General Statute 143-132 prohibits municipalities from awarding construction contracts over \$500,000 without receiving at least three competitive bids from the initial advertisement of the contract. The city may subsequently award the contract even if readvertisements result in fewer than three competitive bids.
- On January 22, 2025, the city reissued the (ITB); three bids were received.
- Hux Contracting, LLC was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by second quarter 2027.

Charlotte Business INclusion

Established MBE Goal: 7.00%

Committed MBE Goal: 7.04%

Hux Contracting, LLC exceeded the established contract goal and has committed 7.04% (\$192,000) of the total contract amount to the following certified firm(s):

- Shoreline Trucking, LLC (MBE, SBE) (\$96,000 (hauling)
- Silverback Brothers, LLC (MBE, SBE) (\$96,000) (hauling)

Established WBE Goal: 4.00%

Committed WBE Goal: 4.03%

Hux Contracting, LLC exceeded the established contract goal and has committed 4.03% (\$110,000) of the total contract amount to the following certified firm(s):

- B&N Grading, Inc. (WBE) (\$110,000) (milling, paving)

Fiscal Note

Funding: General Capital Investment Plan

19. Municipal Agreement for Relocation of Water and Sanitary Sewer Infrastructure on Idlewild Road

Action:

- A. **Adopt a resolution authorizing the City Manager to negotiate and execute a municipal agreement with the North Carolina Department of Transportation for construction of water and sanitary sewer line relocations, adjustments, and improvements, and**

- B. **Authorize the City Manager to approve the reimbursement request for the actual cost of the utility construction.**

Staff Resource(s):

Angela Charles, Charlotte Water

David Czerr, Charlotte Water

Chuck Bliss, Charlotte Water

Explanation

- This municipal agreement is for the relocation, replacement, and improvements of water and sanitary sewer infrastructure located within the North Carolina Department of Transportation's (NCDOT) highway improvements project U-4713A, located in the Town of Matthews along Idlewild Road starting at Stallings Road and continuing roughly 0.1 miles past Barney Drive.
- As required by NCDOT's encroachment agreements, the city is financially responsible for the cost to relocate city-owned water and sanitary sewer lines within the state-maintained right-of-way.
- The city will reimburse NCDOT for actual construction costs at the conclusion of the project.
- The total estimated city cost of this construction is \$431,762.91.

Fiscal Note

Funding: Charlotte Water Capital Investment Plan

Attachment(s)

Map

Resolution

[Map - Relocation of Infrastructure along Idlewild Road](#)

[Resolution - Relocation of Infrastructure along Idlewild Road](#)

20. Water and Wastewater Programmable Logic Controllers

Action:

- A. **Approve the purchase of programmable logic controllers and related electrical components by the sole source exemption, and**
- B. **Approve a contract with AutomationDirect.com Inc. for the purchase of programmable logic controllers and related electrical components for a term of five years.**

Staff Resource(s):

Angela Charles, Charlotte Water
Ron Hargrove, Charlotte Water
Travis Hunnicutt, Charlotte Water

Sole Source Exemption

- NC General Statute Section 143-129(e)(6) provides that formal bidding requirements do not apply when:
 - Performance or price competition are not available;
 - A needed product is available from only one source or supply; or
 - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary for this contract because there is only one supply source, and standardization is an important consideration.
- City Council approval is required for any purchases made under the sole source exception.

Explanation

- This contract will allow for the purchase of standardized programmable logic controllers used to automate processes throughout the water, wastewater, and lift station operating systems while generating necessary data.
- Charlotte Water standardized its programmable logic controllers in the early 1990s to reduce spare parts inventory, support equipment, training requirements, and cost of maintenance.
- Annual expenditures are estimated to be \$300,000.

Charlotte Business INclusion

Sole sourcing was required for this contract because there is only one vendor that can supply the programmable logic controllers and related electrical components that are standard with the existing system parts and components. Sole source contracts are exempt from CBI Program goals, as these contracts do not involve a competitive bidding process and do not present opportunities for subcontracting. This aligns with what is required by North Carolina State Statute §143-129(e)(3).

Fiscal Note

Funding: Charlotte Water Operating Budget and Charlotte Water Capital Investment Plan

21. Water Transmission Main Improvements and Repairs

Action:

Approve a guaranteed maximum price of \$2,553,131.31 to State Utility Contractors, Inc. for Design-Build construction services for Water Transmission Main Improvements and Repairs project.

Staff Resource(s):

Angela Charles, Charlotte Water
David Czerr, Charlotte Water
Carl Wilson, Charlotte Water

Explanation:

- On June 8, 2020, City Council approved a contract with State Utility Contractors, Inc. for Design-Build design services for Water Transmission Main Improvements and Repairs.
- State Utility Contractors, Inc. developed a guaranteed maximum price (GMP) of \$2,553,131.31 to construct approximately 3,125 feet of 12-inch diameter water main along Old Statesville Road in Council District 2.
- This project is needed to provide continuous water service to customers in the area while the transmission main is repaired.
- The project is anticipated to be complete by the last quarter of 2025.

Charlotte Business INclusion

The city negotiates contract participation for Design-Build contracts after scopes of work are defined for construction services. State Utility Contractors, Inc. has committed \$262,944 or 10.30% of the total contract for construction services to the following certified firm(s):

- GDC, Inc. (MBE) (\$50,000) (traffic control)
- JM Custom Construction, LLC (WBE, SBE) (\$187,444) (concrete)
- Lawrence Associates, PA (SBE) (\$3,500) (surveying)
- RAM Pavement Services, Inc. (SBE) (\$22,000) (asphalt)

Fiscal Note

Funding: Charlotte Water Capital Investment Plan

Attachment(s)

Map

[Map - Water Transmission Main Improvements and Repairs](#)

22. Water Treatment Chlorination Equipment

Action:

- A. Approve the purchase of chlorination equipment by the sole source exemption, and
- B. Approve a contract with Piedmont Chlorinator, Inc. for the purchase of equipment, maintenance, and support services for a term of five years.

Staff Resource(s):

Angela Charles, Charlotte Water
Ron Hargrove, Charlotte Water
Dave Banick, Charlotte Water

Sole Source Exemption

- NC General Statute Section 143-129(e)(6) provides that formal bidding requirements do not apply when:
 - Performance or price competition are not available;
 - A needed product is available from only one source or supply; or
 - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary for this contract due to the need for standardization and compatibility.
- City Council approval is required for any purchases made under the sole source exception.

Explanation

- This contract will provide equipment, parts, and maintenance services needed for chlorine handling and feeding at the city's water treatment plants.
- The chlorination equipment was originally installed within the water treatment plants through competitively bid construction projects.
- Annual expenditures are estimated to be \$150,000.

Charlotte Business INclusion

Sole sourcing was required for this contract because there is only one vendor that can supply the standardized equipment and service needed to maintain the existing equipment. Sole source contracts are exempt from CBI Program goals, as these contracts do not involve a competitive bidding process and do not present opportunities for subcontracting. This aligns with what is required by North Carolina State Statute §143-129(e)(3).

Fiscal Note

Funding: Charlotte Water Operating Budget and Charlotte Water Capital Investment Plan

23. Storm Drainage Repair and Improvement Projects - E

Action:

- A. **Approve a contract in the amount of \$4,576,351.86 to the lowest responsive bidder OnSite Development, LLC for the Storm Water Repair and Improvement Projects FY2025 - E project, and**
- B. **Authorize the City Manager to amend the contract consistent with the purpose for which the contract was approved.**

Staff Resource(s):

Angela Charles, Charlotte Water
Mike Davis, Storm Water Services
Logan Oliver, Storm Water Services

Explanation

- This contract is part of an ongoing program to provide repairs and improvements to storm drainage systems across the city.
- Approximately 25 projects may be constructed from this contract within a contract term not to exceed 24 months. The number of projects may vary depending on the nature and extent of the repairs constructed.
- On December 19, 2024, the city issued an Invitation to Bid; four bids were received.
- OnSite Development, LLC was selected as the lowest responsive, responsible bidder.
- The projects are anticipated to be complete by the second quarter of 2027.

Charlotte Business INclusion

Established MBE Goal: 7.00%

Committed MBE Goal: 7.00%

OnSite Development, LLC met the established contract goal and has committed 7.00% (\$320,344) of the total contract amount to the following certified firm(s):

- LJR Concrete, LLC (MBE, SBE) (\$125,000) (concrete)
- Streeter Trucking Company (MBE, SBE) (\$97,672) (hauling)
- Tony's Trucking (MBE, SBE) (\$97,672) (hauling)

Established WBE Goal: 5.00%

Committed WBE Goal: 5.00%

OnSite Development, LLC met the established contract goal and has committed 5.00% (\$228,818) of the total contract amount to the following certified firm(s):

- Bird Dog Traffic Control, LLC (WBE, SBE) (\$50,000) (traffic control)
- Keys Trucking, LLC (WBE, SBE) (\$178,818) (hauling)

Fiscal Note

Funding: Stormwater Capital Investment Plan

24. Morehead Pedestrian Crossing Upgrade

Action:

- A. **Approve a contract in the amount of \$1,389,097.40 to the lowest responsive bidder Modern Railway Systems for the Morehead Pedestrian Crossing Upgrade project, and**
- B. **Authorize the City Manager to amend the contract consistent with the purpose for which the contract was approved.**

Staff Resource(s):

Brent Cagle, CATS
Kelly Goforth, CATS
James Fatula, CATS
Debbie Smith, Transportation

Explanation

- This project will be comprised of reconfiguring the pedestrian crossing of the CATS Blue Line light rail near Morehead Street to provide additional safety measures and enhance visibility for Rail Trail users in connection with the I-277 Pedestrian Bridge project located in Council District 1.
- The pedestrian bridge project, which will improve connectivity between Center City and South End, is expected to significantly increase the number of pedestrians and bicycles crossing the Blue Line at this location.
- Work will include the addition of audible warnings and flashing lights as well as reorientation of the crossing into a "Z" design to enhance pedestrian and bicyclist awareness of approaching light rail vehicles.
- On August 1, 2024, the city issued an Invitation to Bid (ITB); one bid was received.
 - NC General Statute 143-132 prohibits municipalities from awarding construction contracts over \$500,000 without receiving at least three competitive bids from the initial advertisement of the contract. The city may subsequently award the contract even if readvertisements result in fewer than three competitive bids.
- On September 27, 2024, the city reissued the ITB; one bid was received.
- Modern Railway Systems was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by the first quarter of 2026.

Charlotte Business INclusion

Established MWBE Goal: 3.00%

Committed MWBE Goal: 14.45%

Modern Railway System exceeded the established contract goal and has committed 14.45% (\$200,706) of the total contract amount to the following certified firm(s):

- Besco Electrical (MBE) (\$44,166) (electrical, conduit)
- Mor Construction (MBE, SBE) (\$156,540) (demolition, grading, drainage, concrete)

Fiscal Note

Funding: CATS Capital Investment Plan and General Capital Investment Plan

25. Airport Electrical Infrastructure

Action:

Approve a contract in the amount of \$2,308,000 to the lowest responsive bidder Keach Construction, Inc. for the Electrical Critical Infrastructure project.

Staff Resource(s):

Haley Gentry, Aviation

Jack Christine, Aviation

Explanation

- The airport terminal has a series of electrical switchgears that provide power distribution to segments of the terminal building. These switchgears have reached their useful life.
- This project will replace the existing electrical switchgear that feeds critical airport functions such as the IT network, security network and infrastructure, and passenger boarding bridges.
- The project will also provide for the installation of a new generator docking station with a manual transfer switch for backup power in the event of power loss.
- The project includes provision of supplemental architectural, mechanical, and plumbing work in the associated project area upon completion of equipment installation and testing.
- On October 7, 2024, the city issued an Invitation to Bid (ITB); two bids were received.
 - NC General Statute 143-132 prohibits municipalities from awarding construction contracts over \$500,000 without receiving at least three competitive bids from the initial advertisement of the contract. The city may subsequently award the contract even if readvertisements result in fewer than three competitive bids.
- On November 13, 2024, the city reissued the ITB; two bids were received.
- Keach Construction, Inc. was selected as the lowest responsive, responsible bidder.
- The project is anticipated to be complete by the first quarter of fiscal year 2027.

Charlotte Business INclusion

Established MBE Goal: 5.00%

Committed MBE Goal: 15.00%

Keach Construction, Inc. exceeded the established contract goal and has committed 15.00% (\$300,000) of the base bid amount to the following certified firms:

- Besco Electrical Corporation (MBE) (\$150,000) (electrical)
- Superior Mechanical Systems, Inc. (MBE) (\$150,000) (HVAC/mechanical)

Established WSBE Goal: 11.00%

Committed WSBE Goal: 12.23%

Keach Construction, Inc. exceeded the established contract goal and has committed 12.23% (\$244,500) of the base bid amount to the following certified firms:

- DMD Supply Services Group, LLC (SBE) (\$176,000) (electrical equipment)
- Garmon & Company (WBE) (\$30,250) (flooring)
- Ground Thunder NC, Inc. (SBE) (\$6,000) (dumpsters)
- Mid-Carolina Reprographics (WBE) (\$1,000) (printing)
- Pictec, Inc. (WBE) (\$16,250) (scheduling services)
- Sweetwater Utility Exploration (WBE) (\$2,500) (locates, X-Ray, GPR)
- United Painting Services Group, LLC (SBE) (\$12,500) (painting, walls, ceilings)

Fiscal Note

Funding: Aviation Capital Investment Plan

26. Airport Passenger Loading Bridge Parts and Equipment

Action:

- A. **Approve the purchase of passenger loading bridge parts and equipment by the sole source exemption,**
- B. **Approve a contract with Twist Aero LLC for the purchase of loading bridge parts and equipment - preconditioned air unit parts for the term of three years,**
- C. **Approve a contract with Oshkosh AeroTech, LLC for the purchase of loading bridge parts and equipment - ground power unit parts and related parts and equipment for the term of three years, and**
- D. **Authorize the City Manager to renew the contracts for up to two, one-year terms with possible price adjustments and to amend the contracts consistent with the purpose for which the contracts were approved.**

Staff Resource(s):

Haley Gentry, Aviation

Jack Christine, Aviation

Sole Source Exemption

- NC General Statute Section 143-129(e)(6) provides that formal bidding requirements do not apply when:
 - Performance or price competition are not available;
 - A needed product is available from only one source or supply; or
 - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary for these contracts because there is only one supplier of the needed commodities.
- City Council approval is required for any purchases made under the sole source exception.

Explanation

- Aviation owns and maintains 120 passenger loading bridges. The preconditioned air units, ground power units, and their related parts are integral components of the loading bridges as they provide regulated air conditioning and power to the aircraft while it is docked.
- Twist Aero LLC and Oshkosh AeroTech, LLC are the manufacturers of this specialized airport equipment, and the original equipment manufacturer parts are required to maintain performance standards, standardization, and compatibility with existing equipment.
- At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- Annual expenditures are estimated to be \$550,000.

Charlotte Business INclusion

Sole sourcing was required for this contract because there is only one supplier of each of the needed commodities. Sole source contracts are exempt from CBI Program goals, as these contracts do not involve a competitive bidding process and do not present opportunities for subcontracting. This aligns with what is required by North Carolina State Statute §143-129(e)(3).

Fiscal Note

Funding: Aviation Operating Budget

27. Airport Terminal Seating

Action:

- A. **Approve the purchase of terminal seating and seating repair parts by the sole source exemption,**
- B. **Approve a contract with Arconas Corporation for the purchase of terminal seating and repair parts for an initial term of three years, and**
- C. **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 purpose for which the contract was approved.**

Staff Resource(s):

Haley Gentry, Aviation
Jack Christine, Aviation

Sole Source Exemption

- NC General Statute Section 143-129(e)(6) provides that formal bidding requirements do not apply when:
 - Performance or price competition are not available;
 - A needed product is available from only one source or supply; or
 - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary for this contract because the items required for compatibility are proprietary to the vendor.
- City Council approval is required for any purchases made under the sole source exception.

Explanation

- Arconas seating was selected during concourse renovation projects to provide consistency and standardization of design throughout the Airport terminal.
- Aviation will purchase new and replacement seating throughout the terminal as part of the continuing concourse renovation projects over the next three years.
- The unit price contract includes the purchase of all parts for installation, repair, and replacement of terminal seating.
- At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- Annual expenditures are estimated to be \$200,000.

Charlotte Business INclusion

Sole sourcing is required for this contract due to the need for standardization, consistency, and compatibility with other airport seating. Sole source contracts are exempt from CBI Program goals, as these contracts do not involve a competitive bidding process and do not present opportunities for subcontracting. This aligns with what is required by North Carolina State Statute §143-129(e)(3).

Fiscal Note

Funding: Aviation Operating Budget

28. Fixed Based Operator Services

Action:

- A. **Approve a contract with Modern Aviation, LLC for fixed based operator services for an initial term of ten years, and**

- B. **Authorize the City Manager to renew the contract for up to five, two-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.**

Staff Resource(s):

Haley Gentry, Aviation

Ted Kaplan, Aviation

Explanation

- This contract is for staffing and expertise to provide Fixed Based Operator (FBO) services including management of hangar leases, fueling, ground handling, and providing amenities to locally based and itinerant aircraft operators at the airport.
- On August 13, 2024, the city issued a Request for Proposals (RFP); four responses were received.
- Modern Aviation, LLC best meets the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements. In addition, Modern Aviation, LLC has a proven history of capital investment across their network. Their proposed Capital Investment Plan aligns with the Airport's GA Master Plan and supports the Airport's vision for development of the FBO campus across the terms of the contract.
- At renewal, potential price adjustments may be considered based on legitimate and justified increases in the cost of doing business. The ability to consider price adjustments also allows the city to accept decreases, if warranted.
- For these services, Modern Aviation, LLC will receive annual compensation comprising of a \$350,000 management fee and a five percent share of net revenues. Modern Aviation will be eligible for an additional one percent Performance Incentive Fee if certain service metrics are met and an additional three to twelve percent tiered Financial Performance Fee dependent on an increase in annual net revenue.
- These services will generate approximately \$7.5 million in net revenue to the Airport.

Charlotte Business INclusion

The City negotiates contract participation after the proposal selection process. Modern Aviation, LLC has committed 15.00% (\$13,800,000) of the total operating expenses to certified firms and has identified MWSBE opportunities in the following scopes:

- Advertising Services
- Building Maintenance
- Catering
- Landscaping & Lawn Maintenance
- Office Supplies and Equipment
- Safety Services
- Uniform Services

Fiscal Note

Funding: Aviation Operating Budget

CONSENT - PROPERTY TRANSACTIONS

29. Property Transactions - Elvis Storm Drainage Improvement Project, Parcel # 4

Action: Approve the following Condemnation: Elvis Storm Drainage Improvement Project, Parcel # 4

Project: Elvis Storm Drainage Improvement Project, Parcel # 4

Program: Elvis Storm Drainage Improvement Project

Owner(s): Palladian Homes, Inc.

Property Address: 7806 Denbur Drive

Total Parcel Area: 36,937 sq. ft. (0.848 ac.)

Property to be acquired by Easements: 2,217 sq. ft. (0.051 ac.) Storm Drainage Easement and 4,420 sq. ft. (0.101 ac.) Temporary Construction Easement

Structures/Improvements to be impacted: None

Landscaping to be impacted: None

Zoned: N1-A

Use: Neighborhood 1-A Zoning District

Parcel Identification Number(s): 111-111-07
<https://polaris3g.mecklenburgcountync.gov/pid/11111107>

Appraised Value: \$1,375

Property Owner's Concerns: None

City's Response to Property Owner's Concerns: None

Recommendation: The city is currently waiting on signed documents, but to avoid delay in the project schedule, the recommendation is to proceed to condemnation during which time negotiations can continue, mediation is available and if necessary, just compensation can be determined by the court.

Council District: 5

Attachment(s): Map

[Map - Elvis SDIP, Parcel #4](#)

30. Property Transactions - Remount Road and West Boulevard Intersection Improvements, Parcel # 1

Action: Approve the following Acquisition: Remount Road and West Boulevard Intersection Improvements, Parcel # 1

Project: Remount Road and West Boulevard Intersection Improvements, Parcel # 1

Program: Remount Road and West Boulevard Intersection Improvements

Owner(s): AC PC City West Owner, LLC

Property Address: 1600 Remount Road

Total Parcel Area: 27,319 sq. ft. (0.627 ac.)

Property to be acquired by Easements: 4,305 sq. ft. (0.099 ac.) Sidewalk Utility Easement, 625 sq. ft. (0.014 ac.) Permanent Shelter Easement, and 2,196 sq. ft. (0.050 ac.) Temporary Construction Easement

Structures/Improvements to be impacted: Trees

Landscaping to be impacted: None

Zoned: CG/NS

Use: General Commercial

Parcel Identification Number(s): 119-031-19
<https://polaris3g.mecklenburgcountync.gov/pid/11903119>

Purchase Price: \$127,875

Council District: 3

Adjournment

REFERENCES

31. Reference - Property Acquisitions and Condemnations

- The city has negotiated in good faith to acquire the properties set forth below.
- For acquisitions, the property owner and staff have agreed on a price based on appraisals and/or estimates.
- In the case of condemnations, the value was established by an independent, certified appraisal followed by a third-party appraisal review.
- Real Estate staff diligently attempts to contact all property owners by:
 - Sending introductory letters via regular and certified mail,
 - Making several site visits,
 - Leaving door hangers and business cards,
 - Seeking information from neighbors,
 - Searching the internet,
 - Obtaining title abstracts, and
 - Leaving voice messages.
- For most condemnation cases, the city and the property owner(s) have been unable to reach a settlement. In some cases, condemnation is necessary to ensure a clear title to the property.
- If the City Council approves the resolutions, the City Attorney's office will initiate condemnation proceedings. As part of the condemnation process, real estate staff and the City Attorney's Office will continue to negotiate, including court-mandated mediation, in an attempt to resolve the matter. Most condemnation cases are settled by the parties prior to going to court.
- If a settlement cannot be reached, the case will proceed to a trial before a judge or jury to determine "just compensation."
- Full text of each resolution is on file with the City Clerk's Office.
- The definition of easement is a right created by grant, reservation, agreement, prescription, or necessary implication, which one has in the land of another, it is either for the benefit of land, such as right to cross A to get to B, or "in gross," such as public utility easement.
- The term "fee simple" is a synonym for ownership and is an estate under which the owner is entitled to unrestricted powers to dispose of the property, and which can be left by will or inherited.

32. Reference - Property Transaction Process

Property Transaction Process Following City Council Approval for Condemnation

The following overview is intended to provide further explanation for the process of property transactions that are approved by City Council for condemnation.

Approximately six weeks of preparatory work is required before the condemnation lawsuit is filed. During this time, the City continues to negotiate with the property owner in an effort to reach a mutual settlement.

- If a settlement is reached, the condemnation process is stopped, and the property transaction proceeds to a real estate closing.
- If a settlement cannot be reached, the condemnation lawsuit is filed. Even after filing, negotiations continue between the property owner and the City's legal representative. Filing of the condemnation documents allows:
 - The City to gain access and title to the subject property so the capital project can proceed on schedule.
 - The City to deposit the appraised value of the property in an escrow account with the Clerk of Court. These funds may be withdrawn by the property owner immediately upon filing, and at any time thereafter, with the understanding that additional funds transfer may be required at the time of final settlement or at the conclusion of litigation.
- If a condemnation lawsuit is filed, the final trial may not occur for 18 to 24 months; however, a vast majority of the cases settle prior to final trial. The City's condemnation attorney remains actively engaged with the property owner to continue negotiations throughout litigation.
 - North Carolina law requires that all condemnation cases go through formal non-binding mediation, at which an independent certified mediator attempts to facilitate a successful settlement. For the minority of cases that do not settle, the property owner has the right to a trial by judge or jury in order to determine the amount of compensation the property owner will receive.

33. Reference - Charlotte Business INclusion Program

The following excerpts from the City of Charlotte's Charlotte Business INclusion Administrative Procedures Manual are intended to provide further explanation for those agenda items that reference the Charlotte Business INclusion Program in the business meeting agenda.

Section 7.11 Small Business Market Strategy

Section 7.11: The Business Inclusion Officer may develop a market strategy for SBEs that may consist of setting aside certain classes or sizes of contracts for targeted Solicitations to SBEs.

Section 3.1 Contract Goals

Section 3.1.2: Contract Goals: One or more contract goals may be established for all Contracts of \$100,000 or more.

Section 3.1.3: Types of Contract Goals: A Contract Goal can be a (i) MWSBE Goal, (ii) MBE Goal, (iii) SBE Goal, (iv) WBE Goal, (v) MSBE Goal, (vi) WSBE Goal or (vii) MWBE Goal.

Section 3.1.4: Participation Plan for Specific City Agreements:

3.1.4.1: Participation Plans shall be used for Contracts using the Infrastructure Reimbursements Agreements, Developer Agreements, Financial Partner agreements, design-build construction delivery method, construction manager at-risk delivery method, and public-private partnership construction delivery method. The Business Inclusion Officer may require a Participation Plan for other Contracts not specified in this section.

3.1.4.2: The Business Inclusion Officer shall draft a Participation Plan describing what outreach and other efforts the Contractor will be required to undertake to meet the Contract Goals established for the Contract. Any revisions to a Participation Plan after submission shall be approved in writing by the Business Inclusion Officer.

Section 3.1.5: Negotiated Contract Goals:

3.1.5.1: The City may negotiate with a Business Enterprise regarding prospective MWSBE utilization on a Contract prior to its Solicitation. In such instances, the negotiation regarding any Contract Goals may involve scopes of work that are undefined prior to Solicitation but will consist of an overall City expenditure of funds that is known.

Section 3.1.6: No Contract Goals: Contract Goals will not be established on a Contract if (i) there are no MWSBEs to perform the work for the Contract or (ii) it is an Exempt Contract.

Section 8.0 Definitions

Section 8.15: Contract: Any written agreement between the City and Business Enterprise, or any modification thereof, obligating the Business Enterprise to furnish goods or services to the City or perform construction activities for the City. This term shall not include exempt contracts.

Section 8.21: Exempt Contracts: The following Contracts are exempt from all aspects of the CBI Program unless a Department elects otherwise:

8.21.1 Federal Funded Agreements: Contracts that are subject to the U.S. Department of Transportation Disadvantaged Business Enterprise Program as set forth in 49 CFR Part 26 or any successor legislation.

8.21.2 Financial Partner Agreements: Contracts with a Financial Partner that has an existing MWSBE program or DBE program that the Financial Partner uses regularly and can provide evidence thereof.

8.21.3 Interlocal Agreements: Contracts with other units of federal, state, or local government.

8.21.4 Legal Services: Contracts to provide legal services on behalf of the City or its employees or elected officials.

8.21.5 No Competitive Process: Contracts that are entered into without a competitive process, or entered into based on a competitive process administered by an entity other than the City, including but not limited to agreements that are entered into by sole sourcing, piggybacking, buying off the North Carolina State contract, buying from a competitive bidding group purchasing program

as allowed under North Carolina General Statutes § 143-129(e)(3), or using the emergency procurement procedures established by the North Carolina General Statutes.

8.21.6 Real Estate Leasing and Acquisition: Contracts for the acquisition or lease of real estate.

8.21.7 Special Exemptions: Contracts where the Department and the Business Inclusion Officer agree that there was no discretion to hire an MWSBE including, but not limited to, payments or reimbursements to City employees or the procurement of utilities.

8.21.8 State Funded Agreements. Contracts that are subject to an MWBE Goal set by the State of North Carolina pursuant to North Carolina General Statutes § 143- 128.2

Section 5.0: Responsibilities After Contract Award

Section 5.4: New Subcontracting Opportunities

5.4.1: If a Contract has a previously unidentified opportunity for MWSBE participation or if a scope of work has been enlarged or increased, then the Contractor shall notify the Department Head.

5.4.2 Notice: Contractor shall promptly notify the Department Head of the new opportunity for MWSBE participation and whether existing MWSBE Subcontractors on the Contract can and/or will perform the new work.

5.4.3 Response: Upon receipt of the notice under Section 5.4.2, the Department Head shall notify the Contractor that (i) there will be no Supplemental Goal or (ii) there will be a Supplemental Goal based on MWSBE availability.

Section 7.12: Financial Partners

7.12.1 Exemption: If a Financial Partner currently administers a program for MWSBEs, then the Financial Partner may seek an exemption from the Business Inclusion Officer by communicating an intent to use the Financial Partner's existing program in lieu of adhering to the CBI Program. Determinations are made on a case-by-case basis by Business Inclusion Officer.

7.12.2 Contract Goals: A Financial Partner shall be subject to Section 3 (Goals) and Section 4 (Good Faith Efforts) if the Financial Partner has not been exempted pursuant to Section 7.11.1.