AGENDA

Meeting Type:	WORKSHOP
Date:	08/01/1988

City of Charlotte, City Clerk's Office

MAYOR AND CITY COUNCIL WORKSHOP
AGENDA
August 1, 1988

5:00 pm	Agenda Items - Three noncontroversial items which need action before August 22
5:10 pm	Public Arts Commission presentation
5.30 pm	Review of budgetary funds not covered during budget discussions
6:00 pm	Dinner
6.15 pm	Maintenance of medians
6 45 pm	Economic Development policy and loan criteria
7·15 pm	Review of Charlotte Department of Transportation policies
7.45 pm	The employee health insurance contract and user fees are scheduled for the August 22 agenda. We will make a brief overview on the health insurance contract so you will have an early opportunity to discuss and be more knowledgable about this issue. User fees have been deferred twice, and we will be available if you have any questions. Since user fees may impact the issue of erosion control, which is also on the August 22 agenda, we will also be prepared to answer questions about this.
8:15 pm	Coliseum naming

NOTE: Executive Session will be held prior to the workshop at 4·00 pm in the second floor conference room of City Hall.

Monday, August 1, 1988
City Council Workshop

Ord 1

ITEM NO.

1. Recommend acceptance of a $432,897 grant from the National Institute of Justice for the second phase of the Spouse Abuse Replication Project and adoption of a budget ordinance appropriating the funds.

Background: In December, 1986, City Council approved the Police Department's application to the National Institute of Justice to be a participant in their Spouse Abuse Replication Project. Under this program, six police departments throughout the country are using several alternative responses to spouse abuse calls for service. Follow-up interviews are held with the victims at specified intervals to determine which type of police response is most likely to reduce the incidence of repeated abuse. In Charlotte, the project is a joint effort between the Charlotte Police Department and the University of North Carolina at Charlotte.

Grant acceptance: The continuation funding will cover the duration of the project which will end around August 1, 1990. Funds cover the remainder of the data collection, a year of follow-up research with the victims and a final period of time to analyze the project findings and prepare them for publication. No project findings will be released until all six participating departments complete their reports.

Funding: The project is totally funded by the grant from the National Institute of Justice. There is no city match required.

Clearances: Budget and Evaluation Department.

Ramsey Cashpitts

Police

Ord 2)

2. Recommend: (1) Approval of an amendment to the contract between the City and Spirit Square Art Center; (2) Adoption of an ordinance appropriating $143,699 additional funds for Spirit Square; and (3) Award of construction contracts for the renovation of the Spirit Square facilities.

Background: On April 11, 1988 Council approved a contract with Spirit Square Art Center, Inc. for the expansion and remodeling of the Spirit Square facilities. Total project cost was estimated to be $5,696,566. The City has now received construction bids which were in excess of the adopted construction budget. Spirit Square, working with City staff, has reduced the additional amount required to $143,699 by negotiating with the bidders and eliminating certain capital amenities. Spirit Square will fund this deficit.

Requested action:

- Approve an amendment to the contract dated April 1, 1988 to increase the project amount to $5,840,265.
- Adopt an ordinance appropriating $143,699 in funds to be obtained by Spirit Square through ~~its fund~~ raising campaign.
- Award the following contracts: Purch

Plumbing - Heyworth Plumbing	$ 251,580.00
Mechanical - P. C. Godfrey	818,778.00
Electrical - Watson Electric	458,299.00
General - Bob Poppino, Inc.	3,051,949.00
Total	$4,580,606.00

Funding: Spirit Square has obtained a new Irrevocable Loan Commitment of $281,115 from four banks as security to the City that includes the additional amount required to fully fund the project. The City's portion of the project funded through the capital facilities lease purchase ($2,700,000) and pay-as-you-go financing ($100,000) will not change.

Clearances: This amendment to the contract dated April 1, 1988 was negotiated by the Finance Department and has been cleared by the Legal Department, Budget Department, Engineering Department and Spirit Square.

3. Water Distribution Project
12-Inch And 16-Inch Water Mains
Along W. T. Harris Boulevard To N.C.
Highway 115 And 12-Inch Water Main
Along Browne Road To Cheshunt Subdivision

Charlotte-Mecklenburg
Utility Department

Recommendation: Director, Charlotte-Mecklenburg Utility Department recommends that the low bid by Sanders Brothers, Incorporated of Charlotte, North Carolina in the amount of $544,666.55 be accepted for award of contract on a unit price basis.

Project description: Construction of the water mains would extend water service to several new housing developments located along W. T. Harris Boulevard and Browne Road.

Source of Funding: Water and Sewer Capital Improvement Fund

NOTES

Art Commission Strategic Report Briefing

On December 3, 1987, the Art Commission voted to impose a moratorium on all but a few projects in order to review questions which has been raised during and after the Charlotte Coliseum Art Project, a project which City Council did not approve. Following the City Council's decision, Chairman Ray A. Killian, Jr., appointed John C. Murchison, Jr., a member of the Art Commission to lead a special committee made up of Art Commissioners to review the questions which had been raised and recommend any changes that may be necessary to the one percent for Art Program. After several months of meetings, the Special Committee presented its findings and recommendations to the Art Commission in May, 1988. They were unanimously adopted by the Commission. On July 7, 1988, the Art Commission voted to lift the moratorium.

Art Commission Chairman Ray A. Killian, Jr. and Vice-Chairman John C. Murchison, Jr., will present to City Council the findings and recommendations of their internal review and the Art Commission's planned project agenda for the Fiscal Year 1989. This presentation is for information only and no action is being requested of City Council at this time.

REPORT

Of The

STRATEGIC PLANNING COMMITTEE

CHARLOTTE-MECKLENBURG ART COMMISSION

May 1988

The members of the Strategic Planning Committee submit to the full Art Commission this Report on the Committee's review of the policies and procedures used for the selection of art for Charlotte-Mecklenburg's Percent For Art program The recommendations for certain changes to be made in the Commission's policies and procedures are submitted by the Committee with the understanding that they are proposed recommendations that will be subject to further discussion and review by the Commission as a whole.

This Committee's review of the Charlotte-Mecklenburg Percent for Art program leads the members of the Committee to reaffirm their commitment to and enthusiasm for this program We believe that this program will bring an excitement and vitality to our civic buildings that will foster local pride, stimulate economic development, and encourage tourism This program will increase our citizens' appreciation for the arts, will enhance our community's sophistication level and image and will challenge other progressive urban centers (the majority of which share similar programs) to equal Charlotte's quality of life.

Respectfully submitted,

Strategic Planning Committee
Charlotte-Mecklenburg Art Commission

John M Murchison, Jr , Chairman

Charles D Rogers

Carole Hoefener

William H Williamson, III

I. INTRODUCTION

The Strategic Planning Committee of the Charlotte-Mecklenburg Art Commission was appointed at the end of 1987 during a period of public discussion that centered on the selection of art for the Charlotte Coliseum Formation of the Committee was announced during a program on Art in Public Places that was conducted by the Art Commission at the Mint Museum A presentation was made at this program by Patricia Fuller, the consultant who had assisted the Charlotte-Mecklenburg Art Commission in formulating the policies and guidelines that the Commission was using for selecting art for the Percent For Art program

During the Mint program, a number of questions were raised by elected officials and others attending the program regarding the procedures used for selecting art for the program and the type of art that was being selected for programs of this type around the country.

Subsequently there was substantial public discussion regarding the selection of art for the Charlotte Coliseum and after the City Council declined to accept the Art Commission's proposed sculpture for that site the Art Commission voted to declare a moratorium on all but a few projects pending the completion of this Committee's report.

The Strategic Planning Committee's assignment was to review questions that had been raised regarding the Percent For Art program, to consider these questions, and to recommend any changes the Committee felt were needed.

After its formation, this Committee met on a regular basis At the outset, the Committee assembled and reviewed information it could locate on questions raised about the Percent For Art program. Committee members reviewed letters that had been received by the Art Commission They also reviewed letters written to the editor published in the Charlotte Observer They reviewed articles and columns published in the Observer and in other publications They reviewed notes made by Committee members on comments of elected officials and members of the public who presented views in connection with the Coliseum art selection. In addition, Committee members reviewed materials relating to selection procedures utilized in other Percent For Art programs and discussed questions regarding art selection with professional panelists who had participated in art selection in these programs. Some of the Committee members also were privileged to attend a symposium on art in public places conducted by the UNCC College of Architecture at the Mint Museum in February 1988.

The Committee initially attempted to define the issues that had been raised regarding the Percent For Art program and which it believed required discussion and consideration. The Committee identified the following issues which undertook to address:

1. Who should be responsible for selecting art for the Percent For Art program?

2. What procedure for selecting art should be used by the Art Commission?

3. Should the Art Commission undertake a strategic planning process?

4. Should any specific type of art be emphasized in this community's Percent For Art program?

5. Is there a need for greater public input in the selection of artists and artworks in the Percent For Art program?

6 Should local and regional artists be given preferential treatment in the Percent For Art program?

7 Should the Art Commission undertake educational programs designed to educate the public regarding artists and artworks being considered and selected for pending projects?

8. Should a "cap" be placed on the amount that can be spent for artwork on large projects?

9 Are modifications needed in the present method of staffing and budgeting the work of the Art Commission

10 Should any modifications be made at this time in the Joint Resolution that established the Art Commission and Percent For Art program?

11 Should the Art Commission's existing policies and guidelines be revised to permit greater public input into the process for selecting artists and artworks?

These are the issues that the Strategic Planning Committee has considered and to which its recommendations in this Report relate.

II DISCUSSION OF ISSUES ADDRESSED

1 Selection Responsibility

ISSUE.

Who should be responsible for selecting art for the Percent For Art program?

DISCUSSION

A basic issue that is faced by all Percent For Art programs and which has been the basis for much controversy is the question of who should be responsible for selecting art for the program One view is that since the art belongs to the public and since public funds are being expended for the art, the selection responsibility should substantially defer to the wishes of the public. This view would support substantial public participation in the process of selecting art for a Percent For Art program, including public vote on the finalists proposed for at least some projects. A contrary view is that the selection responsibility should be placed in art professionals who are knowledgeable about art and about artists whose work would be especially appropriate for specific projects.

The Policies and Guidelines of the Charlotte-Mecklenburg Art Commission provide that artists/artworks for projects are recommended to the Art Commission by a professional selection panel appointed by the Art Commission for each project or group of related sites. Professional panelists "may be museum professionals, patrons, art educators, critics, artists, or design professionals with special expertise who are not under contract with the

City or County " In addition, a group of "ad hoc advisors" is to be appointed for each major project or group of related sites representing affected interests, such as the community or user agency and generally would include the project architect and persons directly involved in the specific project for which art is being selected Under our Commission's existing procedures, the ad hoc advisors serve the purpose of advising the professional panelists regarding various aspects of the community and regarding information relating to the specific site involved The ad hoc advisors play no actual role in selecting the artists, however, and this selection recommendation is left to the professional panelists.

A view expressed to the Committee was that the art consultant community had gotten the Art In Public Places programs across the nation to buy art in deference to art experts selecting the art, with the result of very modern, very abstract, pieces of art being selected for public places all over the United States The view was expressed that much of this art is disliked by the general public.

Another view, expressed by many art professionals, was that, just as in other areas of life, the best results will be obtained by following the advice of persons knowledgeable about the area This view supports deference to art professionals who have devoted substantial time to considering matters relating to art and who are seen to be in the best position to decide what art would be most appropriate for specific sites.

TENTATIVE CONCLUSION:

While recognizing the need for substantial professional input into the selection process, the Committee believes that greater consideration should be given to public preferences in the selection process In this regard, the Art Commission itself should closely scrutinize recommendations made by professional panelists and should be responsible for full consideration of the art proposed to be selected for each site. The role of the ad hoc advisory committee should be expanded so that these committee members, instead of simply advising professional selection panelists, will have a greater role in the selection process.

The Art Commission should expand the role of the ad hoc advisors in the selection process to provide that the selection for any specific site will be based on a recommendation by professional panelists, as presently provided, and that such recommendation must be with the advise and consent of the ad hoc advisory panel The joint recommendation of the ad hoc advisors and the professional panelists should be presented to the full Art Commission for its consideration and recommendation to the relevant governmental body. In addition, as more fully discussed later in this Report, specific opportunities for public input should be provided for during the selection process for all major projects.

2. <u>Selection Method</u>

ISSUE:

What procedure for selecting art should be used by the Art Commission?

DISCUSSION

The Art Commission's Policies and Guidelines provide that artists or artworks can be selected through direct selection, invitation or open competition. The view has been expressed that competitive procedures are in some way more fair than direct selection methods in that they permit a greater participation by artists who wish to be considered for public projects Factors that favor a more direct selection process are the view that many talented artists will not participate in open competitions and there can be a substantial time and cost involved in conducting such competitions.

There appears to be much public support for the use of open competitions for the selection of artists and art for a public art program There is some feeling that since public funds are being used to purchase the artwork, opportunities to participate in the program should be widely available and not be limited by preconceived notions of which artist would be most appropriate for the specific project.

In considering the selection method, the Art Commission must also consider the staffing requirements, costs, the time frame involved, and the fact that certain artists will not participate in certain types of selection procedures. It is the Committee's understanding that many artists of national reputation, whose work would be familiar to members of a professional panel and who might consider accepting a commission to undertake a project, who would decline to participate in a competition undertaken by the Charlotte-Mecklenburg Percent For Art program. There also are

many artists today who are producing quality art yet do not have a national reputation and these artists probably would compete for a commission

It is a principal objective of the Art Commission to obtain the best art it can acquire for the least amount of money Open competitions afford the best opportunity for meaningful public input but are expensive, time consuming, and require substantial staff support There are, however, variations on a competition process, such as a limited competition or an invited competition. These processes would provide a greater opportunity to find unknown artists There also is greater public acceptance of this process Direct selection uses less staff time, is less expensive, and provides the opportunity to consider the work of artists who would not submit to a competition.

The process that is used for each project should be the one that is most appropriate for the specific project involved The Art Commission cannot undertake to utilize the most expensive method of selection for all projects, but should attempt to use a more open method for major projects and in all instances should recognize the need for public input into the process.

TENTATIVE CONCLUSION:

The Art Commission should not rely on any single procedure for selecting artists and artwork, but should continue to use both competitions and direct selection procedures. The Commission should attempt to use more competitive procedures for major projects and should assure that the procedures followed for all projects permit appropriate public input.

3 Strategic Planning

ISSUE·

Should the Art Commission undertake a strategic planning process?

DISCUSSION

At the present time the Art Commission does not plan its activities pursuant to any strategic plan, but instead each individual project is dealt with as it arises The Committee believes that this has precluded the consideration of various selection procedures that might be used in the context of the overall project agenda of the Art Commission. It also has made more difficult the proper allocation of staff resources to the Art Commission's various projects.

The use of a strategic plan would enable the Art Commission to focus on the various types of selections processes that might be used for the various projects with which the Art Commission will deal during a particular period, consider the cost and staffing requirements of these various procedures, and then determine the procedure that would best suit each of the individual projects with which it will be dealing.

The Committee believes that the use of strategic planning will greatly facilitate opportunities for public input

TENTATIVE CONCLUSION:

THE Charlotte-Mecklenburg Art Commission should have yearly planning workshops and prepare a yearly strategic "master" plan to reach a consensus on the upcoming year's projects and the most effective way to maximize the procurement of the best art for

them. We would look to these organizational sessions and the plan to:

A Encourage a more orderly selection of a wide scope of art forms and styles

B Reduce project "soft costs" i e staff time and other expenses

C Create a more organized approach allowing for increased public input and understanding of the Percent For Art program in its entirety

D. Provide a more concise scheduling that would allow public officials of greater opportunity to participate or respond to particular projects

E. Create a greater awareness by all artists as to upcoming opportunities for submittals

The results of these planning sessions would vary year to year depending on the scope of the City/County projects. One likely result would be to group a number of projects and retain one panel to assist in the selection of all of the works This would reduce staff time, project expenses, City Council or County Commission confusion, and perhaps offer a more orderly approach to a diversity of styles and medias.

4. <u>Type of Art</u>

ISSUE:

Should any specific type of art be emphasized in this community's Percent For Art program?

DISCUSSION

There is a widely held view that the Percent For Art programs across the nation have resulted in an abundance of modern abstract, contemporary art being placed in public places throughout the nation The view is also expressed that much of this art is not acceptable to the public

It must be recognized that selecting art being produced by living artists by definition involves obtaining contemporary art Contemporary art that is acquired in a program such as the Percent For Art program reflects the type of art being produced by contemporary artists It has been stated that the Percent For Art programs have not acquired a great deal of figurative art because there are not that many figurative sculptures working in the public arena today

Nevertheless, the Committee recognizes that a principal purpose of the Percent For Art program is to enhance the visual environment for the members of the community and to the extent the selected art works are unacceptable to the public this objective may not be met.

At the UNCC College of Architecture symposium on public art, the critic Eric Gibson set forth a recommended criteria for artwork to be selected for use in public places. First, the work of art must be a good work of art. Second, the artwork must visually enhance the surroundings and in some way enhance the lives of the public that encounters the artwork. Third, the artwork needs to accommodate itself rather than impose itself on the urban context in which it exists.

There is strong evidence that most pieces of public art are controversial and receive a negative response from the public when initially presented. There is also substantial evidence that over a period of time many pieces selected for public art programs that were initially very controversial and which were initially rejected by the public, have come to be embraced and considered in high regard by the public For this reason, it does not seem appropriate to require that all art selected in a Percent For Art program must meet the initial acceptance of the majority of the members of the community. By the same token, however, the need to consider the views of the public should be taken into account by selection panels involved in selecting art for this community This Committee believes that this can be done while maintaining the high standards established for selected artworks.

It is noted that in capital building projects the architect usually has strong views on the type of art for the building involved. Art should be complementary to a building and to its space.

The Art Commission should provide leadership for the public by providing challenging examples of various types of art. It also should assure that art selected is presented to the public in an appropriate manner.

The Committee believes that all types of art should be considered for Percent For Art projects with the objective of obtaining a wide range of different types of art for the community.

TENTATIVE CONCLUSION.

The Art Commission should consider all types of art and attempt to select the type most appropriate for the specific project involved Selection panels should be requested to consider available information regarding the public's views as to the most appropriate art for this community as well as information regarding the type of art selected for prior projects

5 Public Input

ISSUE

Is there a need for greater public input in the selection of artists and artworks in the Percent For Art program?

DISCUSSION

The Percent For Art program is a public program that is publicly funded and which depends for its continued existence on the support of the members of the public

It is the public's money that is being spent in the Percent For Art program and, consequently, it is the public's art The public demands that its feelings be known in connection with selecting art for the program.

The view has been expressed that if the selection of art is left wholly to the public, that the best art will not be selected

The Committee has expressed in another section of this Report its views on how art should be selected. It strongly endorses the view that opportunities must be provided to enable the public to express its views on art selection and for these views to be considered.

Public input takes time and organizational effort. For public input to be meaningful, relevant information regarding the particular project must be disseminated The question arises as to the most appropriate time for public input. To the extent the views relate to general feelings and attitudes regarding the type of art that should be selected, the timing relating to a specific selection process is not that important To the extent the views and attitudes relate to artwork for a specific project, the timing of the public input as it relates to the information that has been disseminated regarding the project is essential.

The Committee believes that the selection process adopted for each major project should have specific opportunities for public input In addition, reasonable opportunities for public input should be provided for at each meeting of the Art Commission

TENTATIVE CONCLUSION.

Specific opportunities for public input should be provided for as part of the selection process on all major projects an information should be provided to the public regarding these opportunities to express their view.

In addition, the views of the public regarding the Percent For Art program and artwork for the community in general should be provided for by allowing a portion of the time for each Art Commission meeting to be devoted to public comments.

6 North Carolina Artists

ISSUE:

Should local and regional artists be given preferential treatment in the Percent For Art program?

DISCUSSION

The Joint Resolution establishing the Charlotte-Mecklenburg Art Commission and the community's Percent For Art program provides:

> "The use of works of art by local and North Carolina artists should be emphasized "

The Committee recognizes that it is the objective of the Percent For Art program not only to acquire the best art available for the community but also to promote the development of the community's artists and craftsmen.

Concern was expressed that if the Art Commission limited the selection of artists for any particular project to only local and North Carolina artists, this might cause other programs to adopt similar limitations that could preclude the consideration of North Carolina artists in those programs. Such a limitation also could eliminate from consideration what might be the most appropriate artist for a particular project.

The Committee believes that North Carolina artists are held in high regard on a regional and national basis and that it is not necessary to eliminate out of state competition in order for North Carolina artists' works to be selected in our program.

TENTATIVE CONCLUSION:

Special consideration should be given local and regional artists for Percent For Art projects and special effort should be

undertaken to make certain that local and regional artists are aware of pending projects that may be of interest and that selection panels are aware of the Art Commission's desire that special consideration be given to local and regional artists whose talents are appropriate for specific projects The selection process for specific projects, however, should not be limited to only local and regional artists.

7 Educational Programs

ISSUE

Should the Art Commission undertake educational programs designed to educate the public regarding artists and artworks being considered and selected for pending projects?

DISCUSSION:

All of the members of the public recognize the desirability of informing the public regarding the artists and artworks being considered and selected for pending projects in the Percent For Art program. There was concern regarding the time that members of the Art Commission could devote to this type of undertaking. The Art Commission, however, should recognize its obligation to provide information to the public about what it is doing. It should consider undertaking a program to better inform the community about its work, although it must be recognized that the main objective of the Art Commission is the selection of art for the program and is not educational.

Consideration should be given to establishing a speaker's bureau and preparation of a slide program regarding the Commission's work

TENTATIVE CONCLUSION.

The question of specific ways that the Art Commission can better inform the public regarding its work and regarding artists and artworks being considered and selected for pending projects should be specifically considered by the Art Commission and put on its agenda for further consideration This Committee did not undertake to devote the time required to prepare a more specific recommendation in this regard.

8 <u>"Caps" on Large Projects</u>

ISSUE

Should a "cap" be placed on the amount that can be spent for artwork on large projects?

DISCUSSION.

The view has been expressed that it would be appropriate to provide a "cap" on the amount that could be spent for artwork on large projects. The Committee recognized that this view arose in the context of the widely publicized $400,000 budget for artwork at the Charlotte Coliseum. The Committee felt that there was a false perception among the public that a budget of $400,000 for a Percent For Art project meant that an artist would receive the full $400,000. In fact, all of the expenses of selection, design, fabrication, transportation, insurance, storage, site preparation and installation are included within the budget. While the

remaining amount for the artwork itself may be substantial, this provides the community with an opportunity to obtain a significant piece of art and there are few such opportunities in any program Most of the projects in the Charlotte-Mecklenburg Percent For Art program are much more modest.

It was also noted that it is appropriate that more substantial amounts be spent on artwork for more substantial buildings since the size and scale of the sculpture, are the dimensions of the other artwork, are likely to be also larger than average. It should be recognized that appropriate art for a large capital project is likely to be more expensive than appropriate artwork for smaller projects.

TENTATIVE CONCLUSION:

Placing a cap on the amount that can be spent for large projects could make the acquisition of appropriate artwork substantially more difficult and in general could preclude the possibility that significant works of art for the community could be obtained.

9. Staffing and Budgeting

ISSUE:

Are modifications needed in the present method of staffing and budgeting the work of the Art Commission?

DISCUSSION:

At the present time the Art Commission has only a minimal general budget and only a very small borrowed staff. There is no general allocation of funds for the work of the Art Commission,

but the cost of selection is included as part of the cost for each Percent For Art project

Until recently, the Art Commission had no staff support whatsoever, not even administrative assistants Recently, staff assistance has been provided from the Planning Commission staff on a "borrowed" basis

To the extent that more competitive processes are utilized for the selection of art to the extent that more public input is desired and provided for, there likewise is a requisite need for staff support and assistance in coordinating and carrying out these objectives

It is an urgent need of the Art Commission that specific consideration be given to funding the reasonable cost of its operation and providing the necessary staff support to carry out the programs in which it is involved The members of this Committee believe a review of the staffing and budgeting needs should be undertaken by the Planning Commission and a recommendation in these areas made to the appropriate governing bodies

TENTATIVE CONCLUSION·

The Planning Commission should undertake to assess and determine the precise budgeting and staffing requirements for the reasonable activities of the Art Commission to enable the Art Commission to properly carry out its functions.

10. Joint Resolution

ISSUE·

Should any modifications be made at this time in the Joint Resolution that established the Art Commission and Percent For Art program?

DISCUSSION

Questions have arisen regarding the interpretation of several provisions in the Joint Resolution. These include questions regarding what capital projects come within the terms of the resolution, and the question of interpreting the "up to one percent" provision of the resolution. In addition, it has been noted that provision for an art account to fund the general costs of the Art Commission's work would be desirable.

The desirability of discussing any other questions that might have arisen regarding the Joint Resolution with the City and County staffs involved in various aspects of the Art Commission's work is recognized.

TENTATIVE CONCLUSION:

The Committee does not recommend any specific modifications in the Joint Resolution at this time, but recommends that the Chairman of the Art Commission appoint a committee to review any needed modifications with the County Commission and with the City Council.

11 Policies and Guidelines

ISSUE·

Should the Art Commission's existing policies and guidelines be revised to permit greater public input into the process for selecting artists and artworks?

DISCUSSION

The Committee notes that the existing policies and guidelines provide a fairly substantial leeway to permit the use of various selection procedures. It may be that some modification in the policies and guidelines will be appropriate after the full Art Commission has had an opportunity to review this Report, the tentative conclusions of this Committee, and the Committee's recommendations

TENTATIVE CONCLUSION

It is not necessary to modify the existing policies and guidelines at this time but a further review of this issue should be undertaken following the Art Commission's review and discussion of this Report.

III RECOMMENDATIONS

Based on the discussion of issues included in this Report, and the tentative conclusions which it has reached, the Committee requests the Art Commission to consider the following recommendations

1 The Art Commission adopt a Strategic Plan that establishes the selection procedure for each year's projects and the manner in which these projects will be carried out

2. The Art Commission should expand the opportunities for public input into the processes for selecting artists and artwork for the Percent For Art program. Opportunities for public input should be specifically included in the process for all major projects and the public should be given reasonable notice of these opportunities. In addition, the Art Commission should provide an opportunity for public comment at each regular meeting of the Art Commission.

3. The Art Commission should expand the role for ad hoc advisors in the selection process with the function of the nonprofessional advisors being expanded from that of only advisors to participation in the selection of the artists and the artwork

4. The Art Commission should adopt the policy of specifically confirming to each selection panel the strong desire of the Art Commission that special consideration be given to local and regional artists.

5. The Art Commission, in adopting its strategic plan for each year, should attempt to utilize a more competitive selection

procedure for major projects to the extent permitted by the Art Commission's staff and funding resources

6 The Art Commission should give early consideration to the recommendations in this Report, adopt those recommendations it approves, and then move forward to remove the existing Moratorium and implement the adopted recommendations

NOTES

FY89 BUDGET REVIEW: UTILITY, AIRPORT, TRANSIT

Background:

During the Budget Workshops last Spring, Council reviewed budgets and service levels for the General Fund, Community Development, Powell Bill, Municipal Services Districts, the Debt Service Funds, and Insurance and Risk Management. In addition, on July 11, Council reviewed Employment and Training in conjunction with approval of the FY89 contracts. Council requested that the Funds not covered during the budget workshops or discussed subsequently be highlighted at a later time.

Included in this section are overviews of the Water and Sewer, Airport and Public Transportation Funds. This is the information presented earlier for review of the FY89 budgets for each of these funds. Also, issue papers are attached which reviewed two aspects of Public Transportation: Specialized Transportation and dedication of the Auto Tax.

ISSUES AND TRENDS

The Water and Sewer Fund expenditures will continue to be guided by three factors:

1. The Water and Sewer capital program;

2. An expanding but aging infrastructure; and

3. Water and wastewater treatment requirements dictated at the State and Federal level.

Since FY85, the five-year capital program has increased from $65.0 million to $218.5 million in the FY89-93 Capital Improvement Program.

In support of the increasing capital program, the contribution from the Water and Sewer Fund for debt service has increased from $8.05 million in FY85 to a projected $13.4 million in FY89 (a 66% increase over FY85, and a 12.4% over the debt service contribution in FY88), and the Operating Budget has increased from $26.3 million in FY85 to $36.8 million for FY89 (a 40% increase over FY85 and a 3.0% increase over the FY88 Budget). Capital Improvement Program projects are directly linked to the operating budget as future staffing and operating expenses may be required to operate the expanding facilities and infrastructure.

Over the next several years, water and sewer rates are expected to increase approximately five and one-half percent annually to support the capital program and all operating costs.

WATER AND SEWER DEBT SERVICE FUNDS

An increase of $4.9 million (33.4%) is projected for the Water and Sewer Debt Service Funds. This is due to an increase of $1.1 million to pay the principal and interest on bonds issued before 1987 and an increase of $4.7 million to pay the principal and interest on bonds issued in 1987 and 1988. These increases are partially offset by a reduction of $.8 million in the reimbursement to Mecklenburg County and the small towns for their debt obligations.

The City's bond counsel has advised that the City establish separate funds for the issuance of debt after 1986. This is in response to the Tax Reform Act of 1986. The schedule below reflects the Pre 1986 Tax Reform Water and Sewer Debt Service Funds.

WATER AND SEWER SUMMARY

REVENUES

The Water and Sewer revenue estimates for FY89 reflect an increase of $2,278,263 (4.3%). Revenues are calculated using the methodology adopted in 1978 to maintain utility rates, fees and charges to support the system as an enterprise fund. Due to the merger with the Mecklenburg towns' water and sewer systems, in 1984 the rate methodology was amended to reduce the higher rates for customers outside the City limits to an equivalent rate by 1994.

The rates for FY89 provide for all operating costs, debt service requirements and pay-as-you-go capital projects. The revenue estimates assume increases in the average residential customer's bill for those inside the City limits of 4.61% or $.73 per month, and decreases in monthly bills for those outside the City limits of 1.54% or $.39 per month.

	FY87 Actual	FY88 Estimate	FY89 Budget
Sale of Water Services	$15,860,543	$18,966,332	$20,867,295
Sale of Sewer Services	23,142,051	25,486,626	26,310,321
Specific Services	3,353,503	4,171,459	4,064,516
Reserve for Inventory	970,000	970,000	1,000,000
Fund Balance	4,141,400	3,969,452	3,600,000
Total Fund Revenues	$47,467,497	$53,563,869	$55,842,132

EXPENDITURES

The 4.61% increase in water and sewer rates for City residents (and the 1.54% decrease in rates for residents outside the City limits) supports a 4.8% in operating expenses over FY88 Estimates and a 19.8% increase in contributions from the Water and Sewer Fund to support the capital program.

	FY87 Actual	FY88 Estimate	FY89 Budget
Administration	$ 908,152	$ 921,684	$ 975,362
Engineering	1,447,579	1,729,947	1,827,279
Water	11,264,110	11,947,192	12,679,110
Sewer	9,460,572	12,005,035	11,880,725
Non-Departmentals	6,801,973	8,547,748	9,481,146
Sub-Total Operating	29,882,386	35,151,606	36,843,622
Contribution to Debt	10,200,000	11,900,000	13,378,510
Contribution to CIP	2,954,011	950,000	2,020,000
Water/Sewer Capital Reserve	4,131,400	3,969,452	3,600,000
Total Expenditures	$47,167,797	$51,971,058	$55,842,132

WATER AND SEWER DEBT SERVICE FUNDS
PRE 1986 TAX REFORM

	FY87 Actual	FY88 Estimate	FY89 Budget
REVENUES			
Contribution - W/S Fund	$10,200,000	$11,301,970	$10,095,210
Interest on Investments	192,602	215,000	200,000
Interest - Other Funds	4,500,000	3,000,000	4,700,000
Total Revenues	$14,892,602	$14,516,970	$14,995,210
EXPENDITURES			
Water Debt Service	$3,562,237	$ 5,392,230	$ 5,779,599
Sewer Debt Service	4,401,075	5,420,220	6,116,855
Reimbursement for County and Small Town Debt	1,835,938	2,594,318	1,788,000
Other	4,952,871	90,000	90,000
Total Expenditures	$14,752,121	$13,496,768	$13,774,454
Fund Balance	$ 140,481	$ 1,020,202	$ 1,220,756

WATER AND SEWER DEBT SERVICE FUND
POST 1986 TAX REFORM

The Post 1986 Tax Reform Water and Sewer Debt Service Fund is used to pay the principal and interest on bonds issued after 1986. The schedule below reflects the revenues and expenditures required to pay for debt issued in November 1987 and anticipated to be issued in June 1988.

	FY87 Actual	FY88 Estimate	FY89 Budget
REVENUES			
Contribution - W/S Fund	-	$ 598,030	$ 3,283,300
Interest - Other Funds	-	698,720	2,672,000
Total Revenues	-	$ 1,296,750	$ 5,955,300
EXPENDITURES			
Water Debt Service	-	$ 509,444	$ 3,041,523
Sewer Debt Service	-	787,306	2,913,777
Total Expenditures	-	$ 1,296,750	$ 5,955,300

I. DEPARTMENT: WATER AND SEWER OPERATING FUND

II. BUDGET SUMMARY

	FY87 ACTUAL	FY88 ESTIMATE	FY89 RECOMMENDED
POSITIONS	594	615	620
PERSONAL SERVICES	$11,870,138	$12,864,216	$13,382,627
CONTRACTUALS	7,152,847	9,138,174	9,101,385
COMMODITIES	3,973,765	4,521,080	4,833,385
CAPITAL OUTLAY	1,260,201	1,384,285	1,322,218
SERVICE LEVEL CHANGES			111,935
DEPARTMENTAL CHARGE	(1,176,539)	(1,303,897)	(1,389,074)
SUB-TOTAL OPERATING	23,080,412	26,603,858	27,362,476
NON-DEPARTMENTALS	6,801,973	8,547,748	9,481,146
TOTAL OPERATING	29,882,385	35,151,606	36,843,622
CONTRIBUTION TO WATER/SEWER DEBT SERVICE	10,200,000	11,900,000	13,378,510
CONTRIBUTION TO WATER/SEWER CIP	2,954,011	950,000	2,020,000
WATER/SEWER CAPITAL RESERVE	4,131,400	3,969,452	3,600,000
TOTAL	$47,167,796	$51,971,058	$55,842,132

III. AMENDMENTS TO CURRENT LEVEL BUDGET

a. Efficiencies Included:

- The Touche Ross Productivity Study recommended the reduction in crew sizes for some crews and the implementation of a Resource Allocation Model. The reduction in crew sizes allowed for the creation of a labor pool and the making permanent of a temporary crew without adding positions. A net savings resulted in salary costs.

b. Service Level Changes Included:

- Materials Technician to perform soils testing for water and sewer capital improvement projects, subdivision projects, and water and sewer maintenance projects.

- Engineering Assistant to assist in the review and approval of all subdivision water and sewer plans in Mecklenburg County.

- Drafting Technician to assist in the updating of the record (map) drawings of the water and sewer system.

- An Administrative Officer from temporary status to full-time to administer the land application of sludge contract.

- A Meter Reader and a temporary Water Service Technician in the Customer Service Division to address the increasing accounts and for turn-on/turn-off requests.

c. Service Level Changes Not Included:

- Two Construction Inspectors for subdivision inspection.

- Treatment Plant Operators at the Davidson Treatment Plant and the Catawba River Pumping Station.

- A Street Cut and Patch Crew in the Water Distribution Division.

- A full-time Laboratory Assistant at the Sugar Creek Wastewater Treatment Plant.

- Delayed approval of Engineering Assistant to begin implementation of the Cross Connection Program, pending Council's approval of policy changes, August 1988.

d. Service Reductions Not Included:

- Change from monthly to quarterly water reading and billing of residential meters.
  Impact: Leaks and other repair needs may not be identified for up to 90 days; initial reduction in cash flow.

- Eliminate odor monitoring and control program. This service functions primarily during the summer months to identify and control odors from streams or manholes using chemicals to mask or dilute odor-causing elements.
  Impact: Potential increase in odor complaints from the public.

IV. PROGRAM BUDGETS

Programs	Positions	Budget
a. Water Pumping and Treatment - Maintain adequate supply of safe drinking water; operate one river pumping station and three water treatment plants: treated and pumped 20,893 million gallons in FY87 or an average of 57.34 million gallons per day, using 2,248 tons of chemicals and 32,366,960 kilowatts of power.	57	$ 4,716,438
b. Wastewater Treatment - Operate and maintain five wastewater plants and ensure compliance with all regulations regarding the collection and treatment of wastewater: treated 18,374 million gallons in FY87 or an average of 50.5 million gallons per day, and generated 37,230,450 pounds of sludge resulting from the treatment of wastewater.	125	7,694,736
c. Industrial Waste Control - Monitor and enforce the requirements established for the Industrial Users under the North Carolina Pretreatment Program.	7	230,776
d. Meter Reading - Maintain water meter reading services on a monthly basis: 1,316,374 meters were read in FY87 for an average of 109,697 per month. An average of 114,310 meter reads per month is being maintained in FY88.	41	1,140,341
e. Meter Maintenance/Water Service Requests - Respond to customer requests for turn-on/turn-off services; repair meters: a total of 125,173 meters are being maintained during FY88; respond to water pressure complaints and water quality complaints.	45	1,714,899

IV. PROGRAM BUDGETS

Programs	Positions	Budget
f. Water System Maintenance - Maintain and perform repairs to approximately 1,950 miles of water mains, 18,300 valves, 17 storage tanks, 7,100 fire hydrants and 123,000 water services.	78	$ 3,013,385
g. Water Service Connections - Install new water services, fire lines and fire hydrants New water system service connections are estimated to generate $1,558,428 in revenues for FY89.	16	1,532,229
h. Water System Construction - Construct small extensions to the water distribution, including customer-funded projects, and minor water system improvements.	25	561,818
i. Sewer System Maintenance - Maintain and perform repairs to the 1,982 miles of sewer mains; 38 lift stations, and 427 miles of right-of-way.	97	3,217,360
j. Sewer Laterals - Install customer-requested sewer laterals. New sewer service connections are estimated to generate $788,881 in revenues for FY89.	16	632,445
k. Sewer System Construction - Construct minor sewer system improvements and extensions, including customer-funded extensions.	12	105,408
l. Engineering Services - Perform the planning, design, contract administration, construction inspection, surveying and drafting for all water and sewer capital projects; reviews and inspects all water and sewer subdivision projects; respond to request for services for new services or system extensions.	74	1,827,279

Programs	Positions	Budget
m. Administration/Instrumentation and Maintenance	27	$ 975,362
- Plan, organize and direct the department; provide long-range planning for system improvements; seeks the most cost-effective funding including Federal and State grants; provide instrument and electrical maintenance support for eight treatment plants.		
Total	620	$27,362,476

V. CROSS REFERENCES

Objectives Pages: 67-68, 71-74

AIRPORT SUMMARY

OPERATING FUND REVENUES

	FY87 Actual	FY88 Estimate	FY89 Budget
Terminal Area	$ 9,215,895	$11,800,000	$13,973,080
Airfield	4,631,792	4,900,000	5,700,000
Concessions	4,929,364	4,975,000	5,500,000
Parking	4,088,847	4,000,000	4,200,000
Interest on Investments	702,301	2,505,000	700,000
Other	735,706	1,606,714	1,000,000
Total Revenues	$24,303,905	$29,786,714	$31,073,080

OPERATING FUND EXPENDITURES

Personal Services	$ 2,750,378	$ 3,691,397	$ 4,569,544
Contractuals	3,649,196	5,619,908	5,505,434
Commodities	1,027,956	1,100,603	1,298,200
Capital Outlay	585,595	693,908	545,971
Contribution to Debt Service	11,044,911	7,584,832	13,263,816
Reimbursed Expenses	1,383,544	1,482,648	1,577,687
Transfer to Discretionary Fund	184,018	6,965,522	4,312,428
Total Expenditures	$20,635,598	$27,138,818	$31,073,080

AIRPORT DEBT SERVICE

Debt service costs are paid by airlines, tenants, and the Airport. Debt service is the repayment of principle and interest on funds borrowed through the issuance of revenue bonds. Proceeds from the issuance of revenue bonds are restricted in their use as stipulated in airline lease agreements and bond covenants.

Revenues	FY87 Actual	FY88 Estimate	FY89 Budget
Operating Fund Contribution	$ 7,417,285	$ 7,140,875	$13,263,816
Capitalized Interest	7,690,240	13,821,247	14,493,901
Interest Account	2,288,797	2,419,752	2,833,776
Interest On Investments	2,378,394	4,616,600	3,316,000
Contribution from Airlines	0	26,000	1,483,035
Fund Balance	99,957	98,798	79,230
Prior Year Restrictions	0	0	1,690,000
Total Revenues	$19,874,673	$28,123,272	$37,159,758
Expenditures			
General Obligation Bonds	$ 5,090,086	$ 5,198,798	$ 4,933,870
Revenue Bonds	12,153,297	18,801,343	23,523,597
Total Expenditures	$17,243,383	$24,000,141	$28,457,467
Excess Revenue			
Restricted By Bond Order/Lease for Future Debt Expense	$ 2,631,290	$ 4,123,131	$ 8,702,291

I. DEPARTMENT: AIRPORT

II. BUDGET SUMMARY

	FY87 ACTUAL	FY88 ESTIMATE	FY89 RECOMMENDED
POSITIONS	140	160	160
PERSONAL SERVICES	$ 2,750,378	$3,691,397	$4,569,544
CONTRACTUALS	3,659,196	5,619,908	5,505,434
COMMODITIES	1,027,956	1,100,603	1,298,200
CAPITAL OUTLAY	585,595	693,908	545,971
TOTAL OPERATING	8,023,125	11,105,816	11,919,149
DEBT SERVICE	11,044,911	7,584,832	13,263,816
REIMBURSED EXPENSES	1,383,544	1,482,648	1,577,687
FUND TRANSFER	184,017	6,965,522	4,312,428
TOTAL AIRPORT FUND	$20,635,597	$27,138,818	$31,073,080

III. AMENDMENTS TO CURRENT LEVEL BUDGET

a. Service Level Changes Not Included:

- 36 additional positions (The organizational study now underway will make recommendations concerning these positions).

IV. PROGRAM BUDGETS

Programs	Positions	Budget
a. Finance and Administration - Negotiate contracts with airlines and tenants; manage the budget and financial reporting; coordinate payroll and personnel matters; administer City policies; coordinate the development and expansion program for the Airport in accordance with the Airport Master Plan; and includes insurance costs.	18	$ 1,030,489

IV. PROGRAM BUDGETS

Programs	Positions	Budget
b. Public Information - Communicate information concerning the Airport's services and programs; 149 group tours were conducted; 12,200 brochures were distributed; responded to 58 media requests for information; provided support services to 15 publishers; and 4,142 gift packets were distributed.	1	$ 51,126
c. Noise Compliance - Implement recommendations for noise abatement according to the Airport noise and land use compatability study; and operate portable noise monitoring equipment.	1	73,673
d. Technical Support Services - Coordinate and inspect construction activities; conduct bidding procedures for contractural services; coordinate purchasing and vendor activities; and oversee janitorial contract and services.	6	548,843
e. Parking Services - Operate Parking Toll Plaza; and provide shuttle bus service between parking lots (5,336 public spaces) and the Terminal.	21	1,628,756
f. Safety/Operations - Provide security for Terminal and 3,500 acres of Airport property; insure traffic movement at Terminal curbs; monitor building automation systems including alarms for fire, HVAC malfunctions, security breaches; and insure compliance with FAA security regulations.	34	987,520

IV. PROGRAM BUDGETS

Programs	Positions	Budget
g. Equipment Maintenance and Shop Services - Repair and maintain Airport vehicles and equipment; and provide welding, metal working and other shop services.	7	$ 430,052
h. Field Maintenance - Mow turf adjacent to runways and taxiways; cultivate and maintain turf areas, decorative trees, shrubbery, and flowers; clean outside public areas; maintain airfield pavement and safety areas and vehicular roadways; clear runways and ramps of debris (snow and ice in winter); sweep aircraft operating areas; and install and maintain airfield lighting system.	46	2,032,336
i. Building Maintenance - Install, maintain and repair Airport heating, ventilation, air conditioning, plumbing and electrical equipment; provide painting, carpentry and minor remodeling services to tenants; maintain and repair baggage handling equipment and electric gates; and includes utility costs.	26	5,136,354
Total	160	$11,919,149

V. CROSS REFERENCES

Objectives Pages: 68-69 and 76-77

TRANSIT SUMMARY

REVENUES

FY89 Transit System revenues are projected to increase by $864,507 over the current FY88 revenue estimate. Of this increase, $250,694 is anticipated in association with implementation of Transit System service expansions/enchancements. The remaining $613,813 results from an anticipated increase of $140,434 in farebox and advertising revenues, an increase of $600,000 in sales tax revenues, an increase of $20,879 in other revenues, and an increase of $100,000 in the amount of monies returned to fund balance through the transit parts inventory account, offset partially by an anticipated decrease of $247,500 in revenue from the auto tax.

	FY87 Actual	FY88 Estimate	FY89 Budget
System Operating Revenues	$ 4,393,828	$ 4,833,935	$ 5,221,054
UMTA Grant (Section 9)	1,506,759	1,328,598	1,328,598
Sales Tax	4,894,008	5,500,000	6,100,000
Auto Tax	0	2,100,000	1,852,500
General Fund Contribution	1,400,237		
Other Revenues	419,848	229,016	253,904
Reserve for Inventory	400,000	400,000	500,000
Total Revenues	$13,014,680	$14,391,549	$15,256,056

EXPENDITURES

The FY89 $1,494,788 increase in expenditures (excluding fund transfers) for Public Transit includes $503,812 for CTS route expansions and enhancements, $200,000 for special Independence Boulevard construction transit service, $40,854 additional personnel costs associated with increasing the hours of permanent part-time Equipment Operators in the Special Transportation operations and $750,122 increase in salary, contractual and commodities cost for current level services.

	FY87 Actual	FY88 Estimate	FY89 Budget
General Administration	$ 643,155	$ 976,262	$ 895,038
CTS Operations	7,224,822	7,474,836	8,859,242
CTS Administration	0	776,881	818,248
CTS Vehicle Maintenance	2,220,794	2,442,534	2,719,898
Special Transportation	367,454	535,425	609,300
Experimental Transportation	0	200,000	0
Reserve for Inventory	405,505	500,000	500,000
Fund Transfer	2,152,950	1,484,611	854,330
Total Expenditure and Reserves	$13,014,680	$14,391,549	$15,256,056

I. DEPARTMENT: TRANSPORTATION - PUBLIC TRANSPORTATION FUND

II. BUDGET SUMMARY

	FY87 ACTUAL	FY88 ESTIMATE	FY89 RECOMMENDED
POSITIONS (CITY EMPLOYEES)	19	20	20
(CTS EMPLOYEES)	240	263	290
PERSONAL SERVICES	$ 6,611,258	$ 7,618,792	$ 8,149,936
CONTRACTUALS	2,084,232	2,366,382	2,321,119
COMMODITIES	1,891,073	2,219,743	2,710,583
CAPITAL OUTLAY	2,008	6,052	
SERVICE LEVEL CHANGES			744,666
DEPARTMENTAL CHARGE	(132,345)	(4,031)	
INVENTORY	400,000	500,000	500,000
TOTAL	$10,856,226	$12,706,938	$14,426,304

III. AMENDMENTS TO CURRENT LEVEL BUDGET

a. Service Level Changes Included:

- Transit System Route expansions/enhancements per the Five Year Financial Plan to offer increased levels of service to commuters include:

  o Adding or extending service for:
    - Beatties Ford Road and Monroe Road
    - South Boulevard and Windsong
    - Richway Express to Sardis Road North
    - Archdale
    - Quail Corners
    - Sardis Road

  o Beginning express or peak service for:
    - Lawyers Road from Highway 51 to Idlewild Road North
    - Harris Bouelvard
    - Airport

  o Making all expresses two-way express service

These changes will result in an overall increase of over 20,000 service hours and a projected increase in ridership of over 298,000 persons. Cost is projected at $503,812 with revenues of $166,685.

- Provision of special services during the Independence Boulevard construction much like the Uptown Connection route of 1986-87. The service would coincide with the beginning of construction in September and would continue through completion of construction. Cost is projected at $200,000 with revenues of $120,000.

- Extension of 20 hour per week Equipment Operators in Special Transportation to 30 hours per week to continue to meet existing demand for services for the elderly and handicapped.

b. Service Level Changes Not Included:

- Two additional Equipment Operators for Special Transportation.

- Additional clerical support for Special Transportation.

- A Dispatcher position for Special Transportation.

- Additional administrative staff for Administration.

- Funding for special ice/snow control assistance.

c. Service Reductions Not Included:

- Freeze all route expansions planned for this fiscal year. The impact of this change would be to delay the planned expansion of commuter services from outlying areas. A savings of $503,812 would result and $166,685 in revenue would not be realized.

IV. PROGRAM BUDGETS

Programs	Positions	Budget
a. Administration - Provide administration and planning for the Public Transportation Fund including grants coordination, revenue collection, expenditure monitoring and reporting, and contract monitoring.	5	$ 242,593
b. Marketing - Promote and advertise the Charlotte Transit System under contract and promote alternate modes of transportation.	3	499,831

IV. PROGRAM BUDGETS

Programs	Positions	Budget
c. Bus Pass Sales and Revenue Collections - Operate the Uptown Transit Information Center and oversee daily collection of transit ticket/pass revenues.	0	$ 148,410
d. Special Transportation - Provide special transportation services for the elderly and handicapped (7 permanent part-time positions are also assigned to this activity). Over 33,000 trips were provided to elderly and handicapped clients in FY87.	12	609,300
e. Transit Management - Contract management of the Charlotte Transit System with American Transit Enterprises.	3	289,260
f. Transit Administration - Provide on-site administration of the Charlotte Transit System including personnel, safety, reporting, etc. (CTS employees)	16	528,988
g. Transit Operations - Operate the Charlotte Transit System routes including the costs of driver's salaries and fuel. (CTS employees)	214	8,863,446
h. Maintenance - Maintain the Charlotte Transit System vehicles and provide for inventory purchases. (CTS employees)	57	3,219,898
i. Experimental Transit		24,578
Total	310	$14,426,304

V. CROSS REFERENCES

Objectives Pages: 75-76

PUBLIC TRANSPORTATION FUND

ISSUE: The reduction in and eventual loss of UMTA operating assistance requires dedicated revenue for support of the transit system. (FY88 assistance was 11.8% below the FY87 funding level).

POLICY: Programs funded by federal dollars provide essential services to the Charlotte community and should be maintained.

FY89 BUDGET: Continue to dedicate the Auto Tax to the Public Transportation Fund. Implement FY89 route expansions and enhancements. The system may require a new dedicated revenue in FY94 or FY95.

OPTIONS:

1. Remove the Auto Tax as a dedicated Public Transportation Fund revenue and transfer this revenue to the Capital Improvement Program for transportation related projects. Assume no expansion or enhancements to the current system. The transit system may require a new dedicated revenue in FY92 or FY93.

2. Remove the Auto Tax as a dedicated Public Transportation Fund revenue and transfer this revenue to the Capital Improvement Program for transportation related projects. Assume implementation of FY89 route expansions and enhancements. The transit system may require a new dedicated revenue in FY91 or FY92.

TRANSIT SYSTEM ALTERNATIVES

In 1983, City Council adopted the Five-Year Financial Management Plan for Charlotte Transit to be updated in FY89. With this plan, five policies were adopted as guides for future decisions relating to the Transit System including:

1) Broaden the funding base of the Public Transportation Fund.

2) Instruct Management to be sensitive to the City's diminishing ability to provide increased funding in establishing wage and benefit levels.

3) Maintain cost recovery at 40% or more through the farebox for operating transit.

N E E D

4) Expand the transit system to accommodate the City's goals for transit ridership.

5) Promote and encourage full utilization of the transportation system.

To address goals for financing the Transit System and in anticipation of the loss of Urban Mass Transportation Administration Operating assistance, it was recommended that a portion of the Auto Tax be dedicated to the Public Transportation Fund. Since that recommendation, federal legislation reauthorized UMTA operating assistance for the period FY87 through FY91. While the assistance is capped, there is no guarantee to the amount to be received. For example, funding was to be capped at $1,506,759 for the FY87 through through FY91 period, however, the allowable operating assistance received in FY88 was $1,328,598 (11.8% below the level expected). The system will continue to need additional revenues as ridership and costs increase and system expansions/enhancements are justified.

D E S C R I P T I O N

For FY89, current level operations in the Public Transportation Fund will require a 3.5% increase ($459,424) in funding. Costs has increased as a result of the first full year of operating route expansions implemented in the Fall of 1987 and as a result of increased salary, insurance, fuel and parts costs. Expansions, route enhancements, and increased work hours for part-time equipment operators in the Special Transportation Division have been proposed at a cost of $744,666 for FY89 with costs partially offset by the estimated collection of $246,685 in revenue.

At a January 1988 Council Retreat, a question was raised as to the impact of removing the Auto Tax as a revenue source for the Public Transportation Fund.

In determining a recommendation for the Public Transportation Fund, three funding and operating alternatives were considered. Assumptions inherent in the alternatives were normal growth in operating revenues and expenditures.

The FY89 budget assumes receipt of UMTA through FY91 and continued dedication of Auto Tax and Sales Tax revenues to Public Transportation. Costs for expansion and route enhancements are included in accordance with implementation of the final year of the Five Year Financial Management Plan. Implementation of this option will require a new revenue source in FY94 of $1.3 million and FY95 of approximately $4.4 million.

OPTIONS

The first option assumes receipt of UMTA through FY91, continued dedication of the Sales Tax, deletion of the Auto Tax, and not implementing route expansions/enhancements. With this alternative, a new revenue source will be needed in FY92 of approximately $2.3 million and $5.8 million in FY93.

The second option assumes receipt of UMTA through FY91, continued dedication of the Sales Tax, deletion of the Auto Tax, but proceeding with implementation of route expansions/enhancements. Implementation of this option will require a new revenue source in FY91 of approximately $.6 million and in FY92 of $4.3 million.

There are two assumptions that are not included in the options examined above: fare increases or decreases and expansions to the system beyond FY89.

FUNDING

The Public Transportation Fund is currently supported by fares, the 1/2 cent sales tax (dedicated in FY85), half of the increased Auto Tax (dedicated in FY88), and UMTA operating assistance. Fund balance at the end of FY88 is estimated to be $3.7 million. The proposed strategy is to continue dedication of presently dedicated revenues and to proceed with the FY89 routes expansions/enhancements.

SPECIALIZED TRANSPORTATION

ISSUE: Facilitate compliance with Section 504 regulations related to response time, meet increased demand, and reduce complaints by increasing the resources supporting the Specialized Transportation activity.

POLICY: Provide special transportation services to the handicapped population in Charlotte as required by the Rehabilitation Act of 1973.

FY89 BUDGET: The FY89 Budget includes $609,300 in the Public Transportation Fund for the provision of handicapped transportation services. Twelve full-time and seven part-time positions operate this activity.

OPTIONS:

1. Add four positions and two additional lift equipped buses at an operating cost of $112,992 in FY89 to facilitate Section 504 compliance, respond to increased demand, and reduce complaints.

2. Equip all Charlotte Transit System buses with wheelchair lifts and revise routes to accommodate the additional time needed to board handicapped passengers. Estimated start-up cost is $1.95 to $2.6 million to purchase and install the lift devices. Annual operating cost would be $240,000. Federal capital grant funding could be used to purchase the lifts, however, the use of the grant monies for lifts would impede the planned regular bus purchase/ replacement plans.

3. Contract with a local taxi company to provide the requested trips not presently being served. Estimated annual cost would be in excess of $200,000.

4. Discontinue the remaining able-bodied transit services provided for Neighborhood Centers certified clients with special needs and devote Equipment Operator resources to the handicapped service. Cost transferred from the General Fund to the Public Transportation Fund is estimated at $225,924. Additional expenses would be necessary for the purchase of handicapped vehicles to be operated by these equipment operators. Neighborhood Centers clients with special needs would no longer be provided special services. Resource needs related to additional supervisory and dispatching staff and equipment would not be met ($74,003 estimated cost).

5. Delay consideration of enhancements to facilitate Section 504 compliance, meet increased demand, and reduce complaints until the FY90 and FY91 Budget deliberations.

(NOTE: The above options assume funding from Public Transportation Fund Balance and continued dedication of the Auto Tax and Sales Tax Revenues.)

SPECIALIZED TRANSPORTATION

In FY86, the Urban Mass Transportation Administration issued criteria for operation of special transportation services to the handicapped in accordance with Section 504 of the Rehabilitation Act of 1973. These criteria can be summarized as follows:

1) All persons who are handicapped and unable to use the City's bus system are eligible to use the special transportation service.

2) Response to a request for service must be provided within 24 hours of the request.

3) Use of the service cannot be restricted based on the purpose of a trip.

4) Fares must be comparable to the regular bus service fares.

5) The special service must operate during the same hours as the regular bus system.

N E E D

6) The special service must be delivered within the same geographic area as the regular service with few exceptions.

The City is currently in compliance with all of the criteria except the criteria for response time. The most recent data indicates that the Special Transportation Division of the Department of Transportation is urable to respond to an average of 25% to 30% of the handicapped requests for service each month. Without increased resources, it does not appear that the city will be in total compliance by the FY93 deadline. Noncompliance could result in loss of all federal assistance.

In addition to the concerns with eventual compliance with Section 504, changes are being requested to assist with an average 4-6% absenteeism rate for driving staff, a high employee turnover rate, and with supervision.

Steps have been taken over the past few years to provide alternate transportation for able-bodied clients eligible under the Neighborhood Centers program by providing riders with Charlotte Transit System tickets. As such, it has been possible to utilize more of the present resources for handicapped transportation. However, demand for handicapped services continues to increase.

To expedite delivery of services to the handicapped population not presently being served, to reduce complaints, and to facilitate meeting the FY93 deadline for Section 504 compliance, the following changes are proposed:

1) Add two Equipment Operator II positions to Specialized Transportation. An FY89 cost for salary, benefits, and uniforms is projected at $38,995.

DESCRIPTION

2) Add two specially equipped buses to be operated by the Equipment Operators. An FY89 capital cost of $240,000 is projected with 80% of the cost funded through UMTA capital grant monies, 10% funded by the State and 10% ($24,000) funded locally through the CIP. Operating costs totalling $29,380 are projected for fuel and maintenance of these vehicles. This change would require a revision to the proposed Capital Improvement Program Budget.

3) Add a Labor Crew Chief II position to enhance supervision. Currently, the Special Transportation Division operates 126 hours per week. Field supervision is only available during 80 of those hours. FY89 cost is projected at $24,039 for salary, benefits, uniforms, and supplies.

4) Add a Service Dispatcher position to enhance scheduling of requested trips. FY89 cost is projected at $20,578 for salary, benefits, and uniforms.

Total operating costs which would need to be added to the FY89 proposed Budget as a result of these changes is $112,992.

The first option assumes implementation of the requested changes at a total operating costs of $112,992.

OPTIONS

A second option is to equip all Charlotte Transit System buses with wheelchair lifts. Capital costs to equip the current fleet could range between $1.95 and $2.6 million. The purchase of lifts would utilize UMTA capital assistance resources planned for the purchase of new/replacement buses. Annual additional costs to the Public Transportation Fund for maintenance of the lifts would be approximately $240,000. All routes would need to be adjusted to provide for the 3 to 7 minutes necessary for the boarding of each handicapped passenger.

A third option is to contract with a local taxi company to provide the requested trips which cannot currently be delivered by Specialized Transportation. Assuming that there are an average of 35 requests for trips which cannot be responded to each day, annual costs to provide these trips contractually would amount to approximately $200,000. Some amount of lead time would be necessary to seek out a competent firm to handle such a contract and to actually negotiate a contract.

Description Continued

A fourth option is to discontinue remaining able-bodied transit services provided for qualified Neighborhood Center clients with special needs. Present resources would be devoted to the handicapped service. Costs amounting to an estimated $225,924 presently borne by the General Fund would be transferred to the Public Transportation Fund. While this option would provide needed Equipment Operator resources, it would not provide the necessary equipment, supervision, or dispatching assistance outlined as a need in Option #1 ($74,003 estimated cost).

A fifth option is to delay consideration of enhancements to the Specialized Transportation operation until FY90 and FY91.

FUNDING

Funding for all of the options noted above would come from Public Transportation Fund balance and through the Capital Improvement Program and assumes continued dedication of Auto Tax and Sales Tax revenues.

NOTES

ELIMINATION OF MEDIAN MAINTENANCE
AT SUBDIVISION ENTRANCES

BACKGROUND: During the FY89 Budget Hearings, Council reviewed service reductions for City departments. City-provided maintenance of subdivision entrances was eliminated by Council as part of its budget review. This resulted in the elimination of two three-man crews, for a savings of $110,500.

Recently, several Councilmembers have requested that this issue be brought back to Council to be reassessed. Attached is a list of subdivision entrances and subdivision medians that have been eliminated from the Park Operations Division's work schedule.

Below are options Council may consider in addressing the level of City involvement in maintaining subdivision entrances and medians in subdivisions.

OPTIONS: Option No. 1. Affirm Council's Budget decision to eliminate median maintenance at subdivisions and within subdivisions.

This option has already been implemented through the elimination of six full-time positions in the Parks and Recreation Department.

Option No. 2. Provide low maintenance effort for all subdivision entrances and medians within subdivisions.

Low Maintenance is described as the removal of grass areas replaced by mulch when possible, with ongoing maintenance consisting of semi-annual re-mulchings, periodic chemical spraying for weed control and plant replacements if necessary. (The attached list shows the maintenance effort currently required for each area.) If Neighborhood Associations desire higher maintenance levels, then they must provide maintenance effort.

Approving this option would require the re-equipping of a two person crew at a cost of approximately $30,233. In addition, if this is the desired service level, subdivision groups may continue to turn over maintenance responsibilities to the City. This impact will be evaluated each year as part of the budget process.

All medians and subdivision entrances on the attached list would continue to be maintained by City forces. However, each area denoted as a high maintenance area would be reconstructed and revert to low maintenance ground cover and plants.

Option No. 3. Provide low maintenance effort for all subdivision entrances and medians within subdivisions and grandfather those high maintenance medians or entrances that evolved out of negotiated agreements with Neighborhood Associations.

The negotiated maintenance areas that would continue to receive a high level of maintenance would be:

- New Foxcroft
- Mammoth Oaks

Approving this option would require the same addition identified in Option No. 2 plus temporary Laborers for the seasonal mowing requirements for the high maintenance areas. Costs estimates for this option are under review. There would be some additional cost over Option No. 2 for mowing of grassy areas.

Option No. 4. Grandfather all subdivision entrances and medians within subdivisions on the attached list (Attachment No. 1) at the previously provided level of maintenance.

The City would not assume maintenance for any areas not on the attached list, except in the case of annexation.

If areas are turned over to the City for maintenance due to annexation, the City will provide the low maintenance effort described under Option No. 2 and the annual impact will be evaluated as part of the budget process.

Approving this option would require the re-staffing of the six persons eliminated during the budget deliberations. The total FY89 requirement totals $92,047 ($110,500 annualized savings pro-rated to 10 months).

CONCLUSION: Under all of these options, the City will begin to work with Mecklenburg County in requiring developers or neighborhoods to assume maintenance requirements for their neighborhoods. (Subdivision entrances are City-owned rights-of-way. The City requires that landscaping within City rights-of-way be reviewed and approved by the Park Operations Division. For any new subdivision, Park Operations stipulates that the maintenance of new subdivision entrances be the responsibility of the developer. Median entrances are discouraged with encouragement given to beautification on the corner properties.)

ATTACHMENT: Listing of Subdivision Entrances and Medians

ATTACHMENT NO. 1

SUBDIVISION ENTRANCES/SUBDIVISION MEDIANS

	Type	Level of Maintenance*
Albemarle and Farm Pond (2)	Subdivison Entrance	Low
Albemarle and Greenbrook	Subdivision Entrance	Low
Arbor Way	Median	High
Bayberry and Woodlawn	Subdivision Entrance	Low
Cotswold	Median	High
Country Club and Jeff	Median	Low
Courtland and Park Road	Subdivision Entrance	High
Crestdale and Newland	Subdivision Entrance	Low
Druid Circle	Median	High
Eastway and Woodland	Subdivision Entrance	Low
Fairdale Drive	Subdivision Entrance	Low
Fowler Court	Median	Low
New Foxcroft	Median	High
Olde Foxcroft	Median	High
Godwin I & II	Medians	Low
Habersham	Median	High
Hidden Valley (2)	Subdivision Entrances	High/Low
Idlewood Circle	Median	Low
Kilborne and Sudbury	Subdivision Entrance	Low
Lakeside and Terry Lane	Median	High
Mammoth Oaks	Median	High
McAllister	Subdivision Entrance	Low
Old Reid Road	Median	High
Oliver and Statesville	Subdivision Entrance	Low
Pineview and McAlway	Median	Low
Queens Grant	Subdivision Entrance	Low
Robinhood and Addison	Median	High
Rockcliff and Woodstream	Median	Low
Senior Drive	Median	High
Sharon Amity and Abbeydale	Subdivision Entrance	Low
Starbrook and South Boulevard (7)	Subdivision Entrances/Medians	High/Low
Tenth Street	Median	High
Thorncliff	Median	Low
Tuckaseegee and Tennyson	Median	Low
Tuckaseegee and Triangle	Median	High
Village Lake Drive	Median	High
Wilora Lake Drive	Median	High

*Level of Maintenance

High Maintenance: requires a ground maintenance crew to perform maintenance on a weekly or bi-weekly basis.

Low Maintenance: requires a chemical spray crew to visit each area once every three weeks for litter removal, weed control and check for planting replacement needs.

NOTES

Economic Development Mission
for the
City of Charlotte

1. **Need**:

Improve the economic well-being of the citizens of Charlotte by analyzing the economic forces at work and using our resources to harness them for the community's benefit.

Although Charlotte continues to grow, this growth is not uniform. Typical examples of locational and social disparities and other economic development concerns are:

- The 18 neighborhoods with the highest poverty rates had an average unemployment rate that was more than 2.5 times higher than the city-wide average (1980 Census).

- Ten percent of the City's labor force is estimated to be comprised of "working poor," those employed whose total family income falls below the poverty level. (Employment and Training Department.)

- Charlotte's rate of job generation, significant business start-ups, and percentage of young companies with high growth ranks (32), below Atlanta (5), Raleigh-Durham (6), Nashville (11), Charleston (14) and Greensboro (28) when measured over the last four years (Inc. Magazine, 1988).

- City sponsored job training programs can only reach less than 5% of the 57,000 economically disadvantaged residents over age 16.

2. **Goal**:

Provide for the economic growth and development of Charlotte to achieve the economic well-being of all its citizens.

Attract and support the private sector investment which is essential to long-term economic growth.

3. **Mission**:

The City's economic development mission is to attract and support private sector investment by building on the economic strengths of Charlotte through strategic actions that affect our city's:

- Capacity to develop
- Attractiveness to existing and potential business investors
- Economic and business environment

These three elements insure a positive climate for private sector investment necessary to support expansion of the tax base, growth of high quality jobs, and the creation of wealth in the community.

4. **Mission Elements**:

The City of Charlotte, through its provision of services and well designed infrastructure, already has a strong commitment to investment in economic development. Our challenge is to strategically use the City's resources to influence key elements to shape a bright economic future for Charlotte.

A. Charlotte's Capacity to develop is influenced by these elements:

- Infrastructure and government services that provide the framework for the economy and its growth

  Examples: Airport, roads and transportation, water and sewer, and land use planning

- Human Resources

  - Labor force quality and availability

    Examples: Skills training programs, OJT programs, dropout programs, and summer youth programs

  - Leadership capability of individuals and organizations to provide vision and create consensus/coalitions for action

    Example: Bond program and priorities

- Management capability to efficiently use resources

  Examples: Productivity studies, innovative management

- Capital

  - Dollars available for business start-up and expansion

    Examples: City loan funds that leverage private investment

  - Businessmen and women such as bankers, lawyers, and accountants who understand the changing economy and can affect business investment decisions accordingly

- Natural Resources

  - Available land, water and minerals

- Existing businesses which set the stage competitively for business attraction, formation, expansion, and retention decisions

- Technology and information resources available to public and private sector

  Examples: Government Access Channel and Discovery Place.

B. <u>Charlotte's Attractiveness to businesses and to workers is influenced by these elements</u>:

- Quality of Life - cultural, recreational, and educational opportunities

  Examples: New Coliseum for basketball, developing greenway system, and Performing Arts Center.

- Image of the city

  - Pride citizens have in Charlotte

  - The way the city is presented to others through personal and media contact

  Examples: Marketing program, City graphics program, and taxi service

- Environment - clean air, water, climate

- Places
  - Uptown identity and activity
  - Neighborhood vitality
  - Diversity of business districts and shopping areas

    Examples: Municipal service districts, business corridor revitalization program, and zoning

c. <u>Charlotte's Economic and Business Environment is influenced by these elements</u>:

- Support for business formation, expansion and attraction

  Examples: Assistance with business incubator, and ombudsman help through City

- Public - private cooperation and commitment

  Examples: City-Chamber of Commerce projects, and public-private partnerships such as Cityfair and Trade Mart

- State and local regulatory and taxation roles
- State/City/University/Regional roles and relationships

5. **<u>Some Current Strategies</u>**:

- Stimulate business investment and retention by maintaining a strong commitment to quality City services and infrastructure.
- Anticipate and guide growth in newer areas such as Northwest-University area by careful land use, capital and economic development planning. Place the jobs in targeted areas to attract people.
- Invest in training programs for the poor and working poor to increase their self-sufficiency and to improve the overall quality of the labor force.
- Encourage climate of self-study and innovation by City departments to eliminate barriers to business formation, expansion, and attraction.

- Recognize the interdependence of Charlotte with the region. Provide leadership to plan and organize for regional economic development.

- Cooperate with the Chamber of Commerce's business development activities.

- Use the City's resources to stimulate private sector investment through the formation of effective public-private partnerships.

- Provide capital for business start-up and expansion on the basis of demonstrated need potential for job creation, and mobility to achieve public goals.

NOTES

Response from Economic Development
to Council Issues
from January, 1988 Retreat

Issue:

Should the Development and Revitalization Loan Fund (DARF) and the Economic Development Revolving Loan Fund (EDRLF) be combined or use the same loan criteria? Should these loans be targeted to business corridors?

Description of the Loan Program:

The DARF is a flexible loan fund supported by Urban Development Action Grant repayments. It is currently aimed at four redevelopment areas and the "Pocket of Poverty." Through it, public-private partnerships involving "complex loans" can be structured. The interest rate and term are negotiable. Such a fund lends itself to fairly large projects that have a high ratio of private investment to public investment and that have significant job creation or area revitalization potential.

The EDRLF is funded by a $100,000 appropriation of Community Development funds. Use of these funds is limited to the Community Development national objective of serving or creating jobs for low-moderate income persons and elimination of slums and blight. The interest rate is fixed at 6% and the term is limited to five years.

Loan Criteria

Because the DARF is flexible and can serve larger, more complicated projects, while the EDRLF is aimed at simpler and smaller projects and is limited by the Community Development regulations, it is recommended that the two programs continue to use separate criteria.

Policy Considerations:

The EDRLF loan program emphasizes job creation and small/minority business development while the DARF program has objectives of both job creation and area revitalization. This raises the question of policy emphasis. Should the City emphasize assistance to small/minority businesses or to Council-designated revitalization areas? These are not absolute either-or choices between efforts to revitalize neighborhoods/commercial areas and efforts to stimulate business development and job growth. However, in the absence of clear program emphasis, the effectiveness of both approaches is diluted.

Policy Options:

1. **Focus on business development and job creation**, targeting where possible redevelopment areas on the Pocket of Poverty.

Pros

1. Minimize staff involvement (i.e., requires only review of loan applications); development process is simple.

2. May be able to make a greater number of loans and create a greater number of jobs.

Cons

1. Business location in redevelopment areas does not necessarily benefit area residents of the pocket.

2. Infrastructure which helps insure long-term business stability and job security is not developed.

3. The City's ability to achieve multiple public purposes (neighborhood revitalization, removal of blight, housing development) is minimized.

2. **Focus on neighborhood/commercial area revitalization** through business development in a few selected areas.

Pros

1. Creates a visible measure of the City's commitment to low-income needs, and fosters residents' investment in their own neighborhoods.

2. May achieve area revitalization faster by creating a climate for new investment.

3. Can stimulate neighborhood leadership.

4. Could reinforce Innovative Housing Partnership efforts.

5. Allows development of neighborhood support system/infrastructure to sustain businesses and jobs in redevelopment areas over the long run.

Cons

1. Targeted neighborhood approach risks citizens accusations of unfair distribution of City resources.

2. Requires long-term commitment of City and neighborhood.

3. Requires more City coordination and possibly greater City resources (dollars, personnel).

4. May create fewer jobs and business start-ups in the short run.

NOTES

Department of Transportation

Public Impact Policies

Over the past few months, various questions have been raised by Councilmembers about policies carried out by the Department of Transportation related to traffic control. Attached for Council review are brief summaries of each of the 21 public impact policies.

Council may wish to discuss whether it would like to review any of these policies in greater detail. The 25 mph and neighborhood through traffic policies are already under review by the Council Transportation Committee.

CHARLOTTE DEPARTMENT OF TRANSPORTATION
PUBLIC IMPACT POLICIES

POLICY	AUTHORITY
4-Way Stops *	National Engineering Standards
25 MPH**	Council Resolution
Block Party/Street Closing	Administrative
Bus Shelter/Bench Location	Administrative
Bus Route Extension	Budgetary/Administrative
Contractor Use of Right-of-Way	Council Policy
Neighborhood Parking Controls	Council Policy
Neighborhood Parking Permits	City Code
Neighborhood Through Traffic Study*	Council Resolution
Off-Duty Officer Directing Traffic	Legal Opinion
Parade Permit Committee	City Code
School Zones	Council Policy
Sight Obstructions	City Code
Signs on Right-of-Way	City Code
Street Lighting-Neighborhood	Budgetary/Administrative
Street Lighting-Thoroughfares	Budgetary/Administrative
Thoroughfare Speed Limits	Council Resolution
Traffic Signal Installation	National Engineering Standards
Trucks in Neighborhoods	City Code
Truck Routes	City Code/Administrative
Tryon Mall Closing	Council Policy

* Currently Under Experiment
** Currently Under Review by Council

4-WAY STOP INSTALLATION POLICY
FACT SHEET

Program Description: Install multi-way stop controls at non-signalized intersections

Authority:

(1) Federal Manual on Uniform Traffic Control Devices (MUTCD) Section 2B-6

(2) City Code Section 14-57(d) provides general requirement that all traffic control devices, without Council authorization, must be in conformance with (1) above.

# of Multi-way Stops: 17 intersections

Criteria for Installation:

1. When a traffic signal is needed and an emergency response is indicated until a signal can be installed, or

2. Accident problem of 5+ yearly accidents correctible, or

3. Traffic volumes of 500 vehicles approaching per hour for 8 hours (slightly less than traffic signal warrants).

Average Cost: $2,000

Source of funding: General Fund

Key Issue: Should multi-way stops be used to control speeding or through traffic?

Note: CDOT currently is experimenting with using mult-way stops to control speeding in neighborhoods. The experiment is being held on Charter Place in Stonehaven neighborhood. Council will receive a report on the experiment in the fall.

25 MILE PER HOUR SPEED LIMIT
FACT SHEET

Program Description:	Provide mechanism to enable neighborhood residents to lower speed limits in neighborhoods from statutory 35 mph to 25 mph.
Authority:	N.C.G.S. 20-141(e) Council Resolution of 5/14/84
Current number of 25 mph streets:	275
Average number requests/week:	2
Average cost/street (includes labor plus materials):	$178
Average annual cost:	$18,512
Source of funding:	General Fund. Cost and manpower requirement is absorbed with the existing DOT budget and with existing personnel.
Average processing time:	12 weeks. Most of this time is the time it takes a citizen to develop the petition, or to get on Counsel Agenda.
Authority:	N.C.G.S. 20-141(e) attached Council Resolution of 5/14/84 attached.
Key Elements:	o 75% petition by street residents. o must not be a thoroughfare or major collector. o must be approved by Council
Key Issues:	o apparent ineffectiveness o criteria for approval o need for petition o piecemeal implementation

BLOCK PARTY/STREET CLOSING
FACT SHEET

Program Description:	Allow neighborhoods, community groups and other organizations to close city streets for parties, festivals and other special events. See also CONTRACTOR USE OF RIGHT-OF-WAY and TRYON MALL CLOSING
Authority:	Administrative based on general duties delegated in City Code Section 14-57(b) to "promote public safety and convenience" on city streets.
Average number requests:	3 block parties/week April-October 1 neighborhood festival/month
Average cost/street	$63.69
Average annual cost:	$8,000
Source of funding:	General Fund
Average processing time:	Block Parties - 1 week Festivals (new) - 6 months Festivals (repeat) - 2 weeks
Festivals held:	SpringFest, Jazz Charlotte, WestFest, AfroFest, Elizabeth, Dilworth Jubilee, Mint Museum House and Garden Tour, Designer House
Key Elements:	- Block Parties o 75% petition of affected residents o non-thoroughfare streets o emergency access allowed o daytime/early evening only - Festivals o neighborhood endorsement o high level traffic control required o minimize impact on commuter traffic o parking controls may be necessary
Key Issues:	- Block Parties o two weeks submittal required o alcoholic beverage use o petition (75%) required - Festivals o may impact thoroughfares o may impact bus routes o area access a problem, especially when Uptown

BUS SHELTER/BENCH LOCATION
FACT SHEET

Program Description:	Install shelters/benches at key locations along bus routes
Authority:	Council-approved service standards
Current number: (not including Tryon Mall)	Shelters - 51 installed; 7 pending Benches - 48 installed; 9 pending
Average installation cost:	Shelters - @ $2,000 materials Benches - @ $1,000 installed
Average maintenance cost/yr.:	Shelters - @ $500 Benches - @ $100
Source of Funding: (capital cost only)	80% Urban Mass Transportation Administration (UMTA) 10% NCDOT 10% General Fund
Installation Criteria:	Shelters - 50 boardings per day Benches - 30 boardings per day
Key Issues:	o Need for more shelters/benches o Trash around shelters/benches o Difficulty of maintenance o Suitable locations

BUS ROUTE EXTENSIONS
FACT SHEET

Program Description:	Expand transit system to serve new areas
Authority:	Council-approved, budget-based service standards
Frequency:	Major changes yearly in September
Funding:	Transportation Fund
Expansion criteria:	Staff evaluates unserved areas for: 1. Major trip generators 2. Arterial service 3. Population characteristics (census zone) a. Base service (1) Less than 1 car per household (2) Greater than 50 households (3) Population over age 64 greater than 100 (4) Greater than 200 low income households b. Express service (1) Greater than 200 daily work trips
Key Issues:	o Cross town service o Experimental service o Frequency of service

CONTRACTOR USE OF RIGHT-OF-WAY
FACT SHEET

Program Description:	Lease contractors and other parties use of streets or sidewalks to construct private projects
Authority:	Council-approved policy of 2/1/85
Projects currently under lease:	First Union Center, CityFair, Library, Federal Reserve, Interstate Tower, Dunhill Hotel, Barclays American, Compri Hotel
Projects soon to be under lease:	Spirit Square, NCNB Tower
Program Fees:	$31,000 (1986)
Program Costs:	$14,000 (CDOT only)
Key Elements:	o Use more than 30 days o Payment of appraised value of land o Monitoring by staff to ensure safety, and minimal inconvenience to public
Key Issues:	o Length of time for some projects o Deferral of fees by city-related agencies o Penalties for violation o Lack of personnel to administer program

NEIGHBORHOOD PARKING CONTROLS
FACT SHEET

Program Description:	Enable neighborhood residents to install parking restrictions outside of normal CDOT engineering and safety reasons
Authority:	Council Resolution of 10/6/86
Key elements:	o Implemented on block-by-block basis o Requires 75% petition in area of restriction o Neighborhood determines type of restriction o Corner restrictions by single household request o Restrictions also implemented by CDOT for safety or engineering reasons, upon neighborhood notification, but without their approval
Key issues:	o Participation by churches/businesses in petition process o Number of households used in determining percentages, not front-footage o Other than corner restrictions, must be done on a full block basis

NEIGHBORHOOD PARKING PERMITS
FACT SHEET

Program Description:	Create residential on-street parking in areas burdened by commuters or commercial parking
Authority:	City Code Section 14-185 adopted 3/23/87
Number of Neighborhoods:	1 - Fourth Ward
Number of Participants:	205
Fees:	o $30 Annual o $ 3 Weekly Visitor o $ 5 Replacement
Approval Criteria:	o 70% of on-street parking spaces occupied o 25% spaces occupied by non-resident vehicles o Parking Permit Program the best alternative o 75% petition by neighborhood
Key Elements:	o Decal placed on bumper o Heavy enforcement with $15 citation for violation o Monitoring of compliance
Key Issues:	o Need for annual fee o Fairness in restricting public street parking o Participation by employees of businesses in permit zone

NEIGHBORHOOD THROUGH TRAFFIC STUDY (NTTS) PROGRAM
FACT SHEET

Program Description:	Enable neighborhoods to identify through traffic problems and test remedies to alleviate through traffic.
Authority:	Council Resolutions of 10/24/77 and 4/20/80
# Neighborhoods Studied:	23
# Neighborhoods with Controls:	12
# of Controls:	31
Type of Controls:	
Most used:	Turn restrictions, median changes
Other Controls:	Right-turn-on-red, street closures, diverters, signal removals, parking restrictions, 4-way stops
Studies Underway:	Myers Park
Studies Pending:	Seneca, Windsor Park, Olde Providence, Eastway/Sheffield Park, Dilworth, Governor's Square.
Criteria for Study:	o 4000 vehicles/day on problem streets o 40% through traffic o 75% petition from problem streets o Problem street not a thoroughfare
Informal Study:	o 80% through traffic o Remedies evident and non-controversial o High neighborhood concern
Key Elements:	o Traffic analysis o Neighborhood Steering Committee o Identification of significant problems o Development of DOT-acceptable remedies o Neighborhood consensus (by meeting or by petition
Key Issues:	o Impact on thoroughfares o Procedures for decision making o Types of controls o Petition requirements

OFF-DUTY OFFICERS DIRECTING TRAFFIC
FACT SHEET

Policy Description:	Any business or other party may hire off-duty sworn law enforcement officers to direct traffic
Authority:	General statutes permits any sworn officer to direct traffic, providing they are not impeding traffic
Key Issues:	o Businesses may receive priority for access over thoroughfares o Poorly-trained, non-police officers are being used o No review of appropriateness by city agencies o Traffic, although not technically impeded, may be impacted

PARADE PERMIT COMMITTEE
FACT SHEET

Program Description:	Supervise parades and races using city streets
Authority:	City Code Sections 19-116 to 19-127 (Amended 3/24/86)
# Parades (1977):	63 - parades (33) races (30)
Committee Composition:	1 member appointed by the Mayor 3 members appointed by Council 3 members appointed by the Manager o one from CDOT (Chairman) o one from Police o one from Operations
Fee:	$10
Key elements:	o Application to be submitted 15 days in advance o Review by committee members, city agencies o Hiring of off-duty officers required to direct traffic on major streets o Police escort provided o Indigency provision available to non-profit organizations that cannot afford to hire required officers
Key issues:	o Repeated use of same neighborhood streets o Impact on Uptown traffic, transit and business access o Requests for weekday, mid-day parades o Amount of fee o Frequency of indigency parades o Numbers of off-duty officers required

SCHOOL ZONES
FACT SHEET

Policy Description:	Install crossing guards, speed reduction zones and traffic controls at school crossings
Authority:	Council-approved policy of 6/81
# of Schools with Zones:	52 of 101 city elementary and junior high schools
# of Zones:	72
Types of Zones:	Type I. Guard, 25 mph zone, flasher, signing and pavement markings Type II. Guard, signing and pavement markings Type III. Guard, pedestrian traffic signal, signing and pavement markings
Criteria for Installation:	Types I and II based on a rating system that grades crossings based on numbers of school-age pedestrians, age of pedestrians, number and size of gaps in traffic, and the speed of traffic. Type III is used on thoroughfares of 4 lanes or more that qualify for Type I, but where traffic is so heavy that a crossing guard may not be able to stop traffic.
Key elements:	o All requests come from police or the school system o Not used at or nearby to existing signalized intersections or at stop sign controlled approaches (although a guard may still be used) o Council must approve speed reduction zones o School zones are not used at senior high schools, except in conjunction with elementary and junior high schools o Private schools as well as public schools follow same policy o City funds, through police budget, use of crossing guards o Zones used only where needed to protect crossings, and not just because of the presence of a school, or to enable motorists to access the school
Key issues:	o Should all schools have zones? o Should speed reduction zones be retained even if a pedestrian traffic signal is used

SIGHT OBSTRUCTIONS
FACT SHEET

Policy Description:	Provide mechanism to ensure adequate sight distance for motorists entering an intersection from a side street
Authority:	City Code Section 14-16 as amended 4/22/85
Number of Investigations:	177 (FY88)
Processing Time:	2 wks - 2 mos. depending on compliance
Clearance Criteria:	Clear sight from 30" - 72" off the street
Clearance Area:	Triangles measuring 35' on a side behind the right-of-way line, or 50' on a side behind the curb, or as needed to provide 450' sight distance or thoroughfares, 350' on other streets
Key elements:	o Identification of obstruction by citizens or staff o Investigator verifies obstruction o Property owner given opportunity to make clearance o City staff will make clearance if voluntary compliance not achieved
Key Issues:	o Length of time to carry through process o Trees (but not tree limbs) are exempted o Lack of penalties for repeat offenders

SIGNS ON RIGHT-OF-WAY
FACT SHEET

Program Description:	All signs on city right-of-way are prohibited except by permission of CDOT
Authority:	City Code Section 10-17 as amended (1/26/87) and Zoning Code Section 2105.1
Key Elements:	o Community Improvement Division removes violations o Subdivision entrance signs permitted
Key Issues:	o Should churches and other organizations be permitted guidesigns on right-of-way? o How should the directional signing to the many uptown activities be handled?

STREET LIGHTING - NEIGHBORHOODS
FACT SHEET

Program Description:	Provide street lighting on an individual/ neighborhood-wide request basis.
Authority:	Budget approval of yearly street lighting budget, which includes allowance for additional lights. Procedures are administrative.
# Authorized FY88:	39 neighborhoods 376 neighborhood lights 162 individual lights 538 lights authorized FY88
Number Total:	24,959
Average Cost per Light:	$8.25 per light per month
Total Yearly Program Cost:	$1,764,643
Key Elements:	o all installations by petition - neighborhoods 75% needed - individuals 100% needed o both decorative and standard fixtures available
Key Issues:	o neighborhood streets that are thoroughfares are not funded o poles may be set in a resident's yard against his wishes o process takes 3 - 5 months o installation piecemeal

STREET LIGHTING - THOROUGHFARES
FACT SHEET

Program Description:	Provide street lighting on thoroughfare streets
Authority:	Budget approval of yearly street lighting budget, which includes allowance for additional lights. Procedures are administrative.
# Authorized FY'88:	(Tyvola Road)
# Total:	14,810
Average Cost per Light:	$11.60
Total Yearly Program Cost:	$1,946.445
Key Elements:	o Departmental objectives to light all thoroughfares to adequate standards o All construction project upgrade or receive new lighting
Key Issues:	o General upgrading for safety, high congestion or pedestrian areas unfunded o Unlighted thoroughfares not in annexation areas unfunded o Some neighborhood lighting on thoroughfares is unfunded

THOROUGHFARE SPEED LIMITS
FACT SHEET

Program Description:	All thoroughfares, as designated by the Charlotte Mecklenburg Thoroughfare Plan, are posted for a 45 mph speed limit, unless an engineering evaluation determines a lowered speed limit advisable.
Authority:	Council Policy of 9/14/81
# of Streets:	88 streets or sections of streets have speed limits in excess of 35 mph
Key Elements:	All thoroughfares are presumed to be 45 mph streets, unless: o Curvature of road indicates general need lower speed limit o Accident problem on roadway o Congestion - pedestrian or vehicular
Key Issues:	o Residential areas on thoroughfares desire lower limits o Motorists exiting unsignalized intersections desire lower limits

TRAFFIC SIGNAL INSTALLATION
FACT SHEET

Program Description:	Traffic signals are installed where certain patterns of traffic flow and high volume combined indicate a need for a signal. Signals may also be needed to correct accident problems.
Authority:	City Code Section 14-57(c) requires conformance with the Federal Uniform Manual on Traffic Control Devices (MUTCD)
# Signals:	427
Cost of Installing Signal:	$20,000 approximately, depending on configuration
Maintenance Cost:	$1,000 per signal per year
# New Signals Planned:	20
Minimum Lead Time Installation:	6 mos. on city system 1 yr. on state system
Installation Criteria: (Warrants)	I. High Volumes - 150 vehicles per hour on side street for 8 hours II. Interruption - 75 vehicles per hour, but 900 per hour on main street III. Pedestrian - 150 pedestrians per hour for 8 hours IV. School crossing (see SCHOOL ZONE) V. Signal Progression VI. Accidents - 5 accidents per year correctible by signalization plus either 80% of (I.) or (II.) met VII. Systems Organization VIII. Combination - 80% of both (I.) and (II.)

Traffic Signal Installation
Fact Sheet

Key Elements:

- Evaluation made based on biennial counts of major candidates, citizen inquiries, or staff assessment
- Signals generally not installed at non-thoroughfare entrances to neighborhoods unless accident problem presents
- Signalization cannot control speeding
- Signalization of unwarranted intersections increases accident experience, and decreases system efficiency
- Signalization may promote through traffic
- Motorists generally can exit on un-signalized side street sooner

Key Issues:

- Everyone wants a signal at the entrance to their neighborhood, but do not want to be stopped by any once they are on the thoroughfare

TRUCKS IN NEIGHBORHOODS
FACT SHEET

Policy Description:	Large trucks may not use nor park on neighborhood streets except to make deliveries
Authority:	City Code Section 14-183 and 14-183.1
Key Elements:	o Trucks making deliveries, loading and unloading are exempted o Governmental trucks and those less than 3 axles may use the streets, but still not park on-street o Vehicles over 80" in width or 30' in length may not park on-street
Key Issues:	o Tractor-Trailer owner-operators cannot take their vehicles home, even to park on their own property off-street o Access to some industrial parks, which would be more convenient using a neighborhood street, may be awkward Example: Hoskins Road area

TRUCK ROUTES
FACT SHEET

Policy Description:	Through Tractor Trailers must remain on truck routes, and must use truck routes to their nearest point to access destinations
Authority:	City Code Sections 14-21 to 14-25 amended 9/12/60
Key Elements:	o Through trucks (both two-axle and three-axle) are restricted to truck routes o Tractor-trailer trucks must use a truck route nearest to their destination to access their destination
Key Issues:	o Truck routes approved by Council have not been updated for over twenty years. System is outdated as street use patterns have changed and annexations have occurred o A legal conflict exists for those streets on the state system, but not on truck route system. State feels all state routes should be accessible to truck o Definition under 14-22 of "through" trucks applies only to those trucks coming in from outside Charlotte and continuing on outside Charlotte. Does not apply to "through" trucks in terms of non-thoroughfare movements

TRYON MALL CLOSING
FACT SHEET

Program Description:	Promote use of the Tryon Mall by enabling closure for special events
Authority:	City Council Resolution of 4/27/87
# Events Authorized:	12 (one per month average)
# Events Held (1987):	16 annual plus 6 one-time only events
Key Elements:	o Use of Mall for events encouraged o Weekday midday events discouraged o Review by Mall District Committee o Church and College Streets to remain open
Key Issues:	o Increasing number of events are severely impacting transit, traffic flow and access to Uptown businesses, especially hotels and the Convention Center o Races (foot and bicycle) effectively shut down Uptown for extended periods.

July 29, 1988

Rebidding of Employee Group Insurance Plan

1. What are we doing?

   The City is rebidding the entire employee group insurance plan which includes life, accidental death and dismemberment, short term disability, medical and dental insurance. In addition, we are evaluating plan design, service agreements, cost containment features, and funding arrangements, as well as the feasibility of alternative delivery systems such as Health Maintenance Organizations (HMOs) and Preferred Provider Organizations (PPOs).

2. Why are we doing this?

   The City's group insurance carrier is currently Pacific Mutual Life Insurance Company. Pacific Mutual has administered our plan since October 1, 1987 as a result of their acquisition of the Life of Virginia Insurance Company's group business. Prior to this acquisition, Life of Virginia was the City's carrier for life and disability coverage since 1961, medical coverage since 1967 and dental coverage since July 1, 1987. We felt it would be timely to rebid the group insurance plan for the following reasons: 1) the plan had not been rebid since 1967; 2) to determine if better services could be offered by a different provider; and 3) to evaluate the overall plan design, including funding arrangements.

3. What process did we use?

   The City retained the consulting firm of TPF&C, a Towers Perrin Company, with offices located in Charlotte to assist in conducting the project. TPF&C met with the City to establish plan design alternatives and evaluation criteria. TPF&C then prepared detailed bid specifications which were issued to prospective carriers and examined proposals against the established criteria. Based on the written responses to the RFP of each vendor, TPF&C recommended four finalists for consideration to administer the City's plan. TPF&C and City staff evaluated the finalists through on-site claims office visits and an evaluation of the finalists' responses to an extensive questionnaire. Representatives from each of the four finalists then made presentations to City staff and TPF&C. TPF&C made final recommendations to the City regarding plan design, funding arrangements, selection of carrier and alternative delivery systems.

4. What changes are being recommended?

   As a result of the rebidding process, we are recommending that the City change carriers to Provident Life and Accident Insurance Company for all lines of coverage that are currently with Pacific Mutual and change our plan to be more consistent with current practices of cost containment. In addition, we wanted to make our life insurance program more competitive.

   a. The City's current life insurance is based on a salary schedule with a maximum of $50,000. We are recommending that the schedule be eliminated and employees receive life insurance in the amount of 2 x salary to a

maximum of $100,000. This change is being recommended to make the City's life insurance more competitive. In addition, we are recommending that employees be given the option of purchasing supplemental term life insurance up to 1 or 2 times their salary. The City currently allows employees to purchase dependent life insurance in the amount of $1,000. We are recommending that employees have an additional option to purchase dependent life insurance in the amount of $5,000 on their spouse and $1,000 on their children.

b. The City's current medical plan is a basic plus major medical plan. Certain basic coverages for in-hospital and outpatient services are covered at 100% according to scheduled amounts. Supplemental major medical services are then covered at 80% after a $100 deductible. In an effort to make our plan more cost effective and simplify administration, we are recommending the City implement a modified comprehensive plan. Under this type of plan, in-hospital coverage would be covered up to $4,000 (not to exceed 100% of average semi-private room). Excess charges and other major medical charges would be covered at 80% after a $100 deductible.

c. The City's current dental plan covers preventive dentistry at 100% and basic and major services according to a scheduled amount subject to a $50 deductible. In order to make our dental plan consistent with the recommended medical plan, simplify administration, and be more competitive, we are recommending that the schedule be eliminated and that preventive services continue to be covered at 100%, basic services covered at 80% of reasonable and customary charges, and major services be covered at 50% of reasonable and customary charges. Basic and major services would continue to be subject to a $50 deductible.

d. The City's preadmission review program is currently administered by a local third party, and is voluntary in that there are no penalties for non-compliance. In addition, medical case management is administered by Pacific Mutual. In an effort to better coordinate these two programs with our insurance program, and further contain our health care costs, we are recommending that utilization review and medical case management be administered by Provident. We are further recommending that utilization review be mandatory rather than voluntary with a $200 penalty for non-compliance.

e. The medical, dental and accident and sickness portion of the plan are funded through a "minimum premium" approach and the life insurance is funded through a "flexible funding" approach. After a thorough analysis of various funding alternatives, including administrative services only, and self administration, we are recommending that the current funding methods continue to be used. This form of self funding allows the City to more effectively manage cash flow and also realize overall savings, as well as limit the City's risk.

f. We are recommending that the City not offer an HMO option at the present time due to the potential cost impact to the City and the market conditions of the HMOs in this area. At this time, we are recommending that the City not offer a PPO network due to the lack of meaningful discounts and controls obtained from providers.

5. What are the benefits and/or the draw backs for City employees?

City employees would benefit by the increased life insurance amount of 2 x salary over the current scheduled amount. In addition, they would have an increased benefit in the option to purchase additional term insurance for themselves and dependents at their own expense. The design of the medical plan would be more comprehensive, however, employees should realize no significant reduction or increase in benefits. There may be slightly more cost sharing by employees on certain expenses such as outpatient, lab and x-ray benefits. With the elimination of the scheduled amounts, services such as these would be covered at 80% subject to the deductible rather than 100% up to the first $100. City employees may realize a slightly higher benefit on certain basic and major dental services due to the elimination of the schedule. City employees will realize a lower premium for both dependent medical and dental insurance.

6. What are the benefits and/or draw backs for the City as employer?

The benefits to the City are substantial cost savings over the current plan due to stronger cost containment features. We also anticipate better services from the carrier we are recommending.

7. Did we look at other options? Why did we choose the plan we are recommending?

The City evaluated other plan design options, however, we are recommending the option called Plan A because it has the least impact on employee benefits. The other three options increase the amounts employees would have to pay for hospital stays and medical treatment. Those options required larger deductibles and more out-of-pocket expense than the current plan, and could be viewed as a significant reduction in benefits.

COBRA Provision

8. What is City council being asked to do?

City Council is being asked to approve the recommendation regarding a new insurance carrier and plan design changes on the August 22 agenda.

9. How will we implement the change?

We will implement the change effective October 1, 1988 though a detailed implementation plan developed by Provident and the City. We will set up an employee advisory group as part of the implementation.

NOTES

USER FEES

BACKGROUND: At the May 9th Council meeting, Council considered the Finance Committee's recommended Resolution on a user fee policy. Several issues were raised concerning fees for regulatory services and fees for Park and Recreation facility rentals. These are summarized in the following three issues.

ISSUES: Issue No. 1. User Fees as a strategy to increase revenue. Some members of the public stated that the push for user fees was simply to increase revenues, and that user fees do not promote government efficiency.

Finance Committee: The Finance Committee's recommended policy statements included the following general statement regarding user fees:

- User fees are a reasonable means of financing services that offer a direct benefit to those who use them.

Current City Practice: The City has in place many user fees. These fees have been implemented for a variety of reasons. For example:

- To regulate the demand for a service or entrance into a public facility (swimming pools, golf course, green fees, Memorial Stadium, Park Center).

- To charge for the exclusive use of a public facility thus removing it from use by the general public (picnic shelter rental, softball field rental, bandshell rental, St. Mary's Chapel,...).

- To provide for the continuation or provision of a service to specific beneficiaries (Spay-Neuter fees, grading permits, dead animal collection and funeral escorts).

Arthur Young Study: In Arthur Young's presentation to City Council, they stated that reasons for user fees are not solely revenue generation, but include:

- Recovers cost directly from beneficiaries

- Provides for improvement and continuation of service

- Regulates the use of service

- Allows for the efficient use of service.

Issue No. 2. User Fees for services which regulate development. Members of the public stated that services provided to regulate development are a public good and therefore should not have user fees attached to those services.

Finance Committee's Recommendation: The Finance Committee's recommended policy statement included the following:

- Engineering-related fees will be developed in conjunction with Mecklenburg County staff (for fees to be as close as reasonably possible) with the goal being to recover 100% direct costs only.

- Planning fees are to be established with the goal to recover 100% of direct costs only.

Current City Practice: The City currently charges for zoning permits, special use permits, grading permits, but does not charge fees for plan review or inspection services. These user fee revenues are an estimated $117,000 for FY89.

Arthur Young Study and Staff Response: Recover 100% of both direct and indirect costs for specified services provided by Department of Transportation, Engineering and Planning. This change would generate approximately $1,039,000 in user fee revenue and would be consistent with many municipalities.

Issue No. 3. User Fee Exemptions for Youth Athletic Associations. Members of the public stated that user fees for athletic fields would have a negative impact on Youth Athletic Associations. Others noted the potential inequity in the treatment of all youth associations and user fees.

Finance Committee's Recommendation: The Finance Committee's recommended policy statements included the following:

- Adult athletic fees and rental of Parks and Recreation facilities are to be established to recover 100% of direct costs only.

- Youth Athletic Associations and City-sponsored youth programs are exempt from user fees and charges for reserving and using parks and recreation facilities.

- Under these recommended policy statements, youth associations would have to pay for facility rentals, excluding athletic fields.

Current City Practice: Youth athletic associations are currently exempt from paying for the reservation and use of sports field facilities. However, as noted at the May 9th Council meeting, other youth groups (i.e. Boy Scouts) are required to pay for facility rentals (picnic shelters, ballfields, ...) to monitor exclusive use of facilities.

Arthur Young Study and Staff Response: No exemptions were made for the reservation and use of park facilities. Users fees were recommended which covered all direct and indirect costs.

OPTIONS:

1. Approve the Finance Committee's recommendation on User Fee Policy.

2. Approve separately User Fee Policies for:

   a. Department of Transportation, Engineering and Planning

   b. Parks and Recreation

3. Continue current practice

4. Eliminate all User Fees (current user fee revenues are an estimated $2.0 million for FY89).

ATTACHMENTS:

1. Background

2. Resolution on User Fees containing the Finance Committee's Recommended Policy Statements.

3. Schedule of Policies (Recovery Rates) and Fees

ATTACHMENT NO. 1

BACKGROUND

1. City-County Citizen's Revenue Committee:

The City's review of user fees was initiated by the joint City-County Citizens' Revenue Committee's Final Report of July 1986. The report cited several advantages for instituting user fees:

- In general, user fees and user oriented taxes provide a greater level of taxpayer equity.
- User fees do not need legislative approval.
- User fees would likely be locally accepted because such fees would tend to be viewed as placing the financial responsibility on those who are requesting the expenditure of public funds.

2. Arthur Young Study (January-September 1987):

In January 1987, the City of Charlotte joined Mecklenburg County in preparing a Request for Proposal for user fee studies of selected County and City departments. Arthur Young and Company was selected separately by both the City and County to perform the respective user fee studies.

The purpose of the Arthur Young study was to:

- Evaluate those services in Parks and Recreation, Engineering, Planning and Department of Transportation that lend themselves to user fees.
- Identify the total costs of each service, direct and indirect.
- Determine user fees that recover the total cost of specific services and support charges with appropriate justification.
- Develop a method of annually updating the fee structure.

3. Staff Review (September 1987-January 1988):

Based on the Arthur Young study and input with departmental staff, City staff prepared (1) A proposed Annual User Fee Review Process; and (2) Proposed User Fees in Parks and Recreation, Planning, Engineering and Department of Transportation.

The purpose of the proposed Annual User Fee Review Process was to implement a process based on approved City Council policies and a sound and acceptable methodology.

The premise of the Annual User Fee Review is that Council establishes user fee policy which is reflected by the proposed cost recovery rate and the City Manager implements the approved policies.

The goal was to put into place a process to standardize user fees in Charlotte and to provide a framework for evaluating other City services for user fees.

The Arthur Young study stated that the City's current user fees had not kept pace with costs or with new services being provided by the City. This was due to:

- Fees were not updated on a regular basis.
- Many fees were set at levels which did not reflect the cost of providing the service, but which may have been competitive with surrounding communities.
- No user fee methodology in place to easily update existing fees or calculate new fees.

4. Finance and Long Range Funding Committee (February-May 1988):

On February 4, 1988, the Finance and Long-Range Funding Committee met to discuss the proposed user fees methodology and user fee policy assumptions. The committee held a public hearing on proposed user fees on February 25, 1988. Based on the committee meeting and public hearing, the Finance and Long Range Funding Committee developed User Fee Policy Statements for City Council consideration.

ATTACHMENT NO. 2

The resolution contained the following policy statements:

1. User fees are a reasonable means of financing services that offer a direct benefit to those who use them.

2. Recovery of direct costs is a valid and reasonable means of establishing appropriate user fees and charges.

3. Engineering-related fees will be developed in conjunction with Mecklenburg County staff (for the fees to be as close as reasonably possible) with the goal being to recover 100% direct costs only. The coordination of fees with Mecklenburg County will ensure that consistent fees are presented to the development community for similar services rendered by the City or the County.

4. Planning fees are to be established with the goal to recover 100% of direct costs only.

5. Adult athletic fees and rental of Parks and Recreation facilities are to be established to recover 100% of direct costs only.

6. Youth athletic associations and City-sponsored youth athletic programs are exempt from user fees and charges for reserving and using parks and recreation facilities.

7. Individuals identified as indigent will be exempt from fees. The same waiver application form currently used by Parks and Recreation will continue to be used to determine indigency.

8. The annual user fee review process will be used for Council to review user fees as part of the budget process.

9. Cost recovery for other services should be 100% of all direct costs, except in the following situations:

   - When fees are charged to another governmental agency.

   - When fees would negatively impact the demand for service.

ATTACHMENT NO. 3

LISTING OF FEES

The following charts illustrate the recommended user fees by department. Recommended fee amounts included in the study are based on FY88 costs and are provided for illustration only. Approved fees may change when the costs of service are recalculated using FY89 costs.

Column One (Service/Fee):	This column provides a description of the departmental service (by name) for which a fee is recommended.
Column Two (Current):	This column illustrates the current fee for the service, if any.
Column Three (Rec. Policy):	This column reflects the recommended recovery policy for the service. A recommended policy of 100% means that a fee will be set to recover 100% of all direct costs.
Column Four (Fee):	This column illustrates the required fee, in dollar terms, to meet the recommended policy. All fees reflect FY88 costs.
Column Five (Estimated Annual Revenue):	This column provides an estimate of revenues which will be generated in the first year of implementation.

DEPARTMENT OF TRANSPORTATION
USER FEES

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
Right-of-Way Lease	12% of tax value	No Change	12% of tax value	
Parade Permit	$10	N/A	$10	$ 750
Street Closing Permit	0	N/A	$10	500
Zoning Petition	0	100%	$295	29,500
Commercial Driveway	0	100%	$100	40,000
Building Permit	0	100%	$20	14,000
Subdivision Processing Permit	0	100%	$190	19,000
				$103,750

PLANNING DEPARTMENT
USER FEES

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
Rezoning Applications: Conditional	$100-$500	100% (phased-in)[1]	$1,085[2]	$ 74,934
Rezoning Applications By Right	$100-$500	100% (phased-in)[1]	$865[2]	3,045
Special User Permits Minor	$250	100% (phased-in)[1]	$1,660[2]	1,660
Special Use Permits Major	$250	100% (phased-in)[1]	$2,015[2]	5,040
Floodway Permit	$0	100%	$200	2,000
Subdivision Review Preliminary Plans Single Family (no streets)	$0	100%	$30	300
Subdivision Review Preliminary Plans Single Family (new streets)	$0	100%	$110	9,350
Subdivision Review Preliminary Plans Non-Residential	$0	100%	$80	1,920
Subdivision Final Plat	$0	100%	$35	9,975
Subdivision Revision to Final Plats	$0	100%	$25	3,550
Planned Multi-Family Review	$0	100%	$180	3,640
Final Condominium Plats	$0	100%	$8	400
UMUD Plan Review	$0	100%	$420	7,140
				$122,954

[1] Phased-In (50% - 1st Year, 75% 2nd Year, 100% - 3rd Year)

[2] Amount of 3rd Year Fee (100%)

ENGINEERING DEPARTMENT
USER FEES

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
Commercial Drainage Plan Review/Site Inspection	$0	100%	$780 avg.*	$ 97,500
Erosion Control Review and Inspection (Grading Permit)	$775 avg.	100%	$870 avg.*	147,271
Subdivision/MF Plan Review, Inspection and Testing	$0	100%	$1020 avg*	169,801
Subdivision Plan Review (No Streets)	$0	100%	$125	1,250
Commercial Inspection (Building Permit Site Inspection)	$0	100%	$250	112,500
Permanent Street Closure (Right-of-way Abandonment)	$294 avg.	30%	$294 avg **	5,880
Storm Drainage Problem Study	$0	5%	$50	6,100
R-O-W Lease Private Construction	12% of tax value	No Change	12% of tax value	100,000
R-O-W Encroachment	$0	100%	$845	8,450
100+1 Floodplain Analysis	$0	100%	$250	4,500
Zoning Special Use Permit Review	$0	100%	$40	280
UMUD Review	$0	100%	$40	680
Conditional Rezoning Request	$0	100%	$50	6,900
				$661,112

*Fee is based on sliding scale according to acreage size The average subdivision is 10 acres, the average erosion control review is for 5 acres, and the average commercial drainage plan review is for 4 acres.

**Fee is based on $250 for 1st street and $125 for each additional street

ENGINEERING LAB TESTING FEES

(All lab testing fees are included in Engineering Subdivision Fees or charged to Capital Improvement Projects)

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)
Lab Testing			
Atterburg Limits[1]	$0	100%	$60
Air Content-Chase[1]	$0	100%	$30
Air Content-Pressure[1]	$0	100%	$40
Slump Test[1]	$0	100%	$35
Making Cylinders[1]	$0	100%	$25
Cylinder Strength[1 2]	$0	100%	$ 5
One-Point Proctor[1 2]	$0	100%	$25
Five-Point Proctor[1 2]	$0	100%	$70
Asphalt Extraction[1]	$0	100%	$25
Aggregate Gradution[1]	$0	100%	$20
Moisture Test[1]	$0	100%	$ 5
CBR Test[1]	$0	100%	$165
Field Density Test[1 2]	$0	100%	$10 - 1st test $5 - additional test
Asphalt/Concrete Cores[1]	$0	100%	$30
Hydrometer Analysis[1]	$0	100%	$100
Specific Gravity[1]	$0	100%	$45
Drilling Penetration[1]	$0	100%	$140 per 15 feet
Drilling Probe[1]	$0	100%	$70 per 15 feet
Soil Analysis[1] (Chemical Composition)	$0	100%	$55
Sample Pickup/Site Visit	$0	100%	$25
Wensor Probe[1]	$0	100%	$155
Swiss Hammer[1]	$0	100%	$110
Beam Making[1]	$0	100%	$30
Flexural Strength[1]	$0	100%	$20

[1] Service Performed for City Projects
[2] Service Performed for Developers

PARKS AND RECREATION
USER FEES

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
RESERVATIONS	$0	100% (phased-in)[1]	$ 9.90[2]	$ 15,875
Reservation Fee				
Special Use Permit	0	100% (phased-in)[1]	30.00[2]	3,000
RENTALS				
Picnic Shelters				
Small (4 hours)	$ 7.50	100%	7.00	2,464
each additional hour			1.75	459
Medium (4 hours)	17 00	100%	10 00	3,680
each additional hour			2.50	558
Large (4 hours)	50.00	100%	28.00	30,576
each additional hour			7 00	2,219
Enclosed/Indoor (3 hours)	50.00	100%	16.00	5,808
each additional hour			5.50	2,712
Soccer Fields (4 hours)	7.50	100%	4 50	2,403
Softball Fields[3]				
Class A Fields	6.50 hr.	100%	4.00	See Footnote[3]
(w/lights)	9.50 hr.	100%	10.50	See Footnote[3]
Class B Fields	6.50 hr.	100%	1.50	See Footnote[3]
(w/lights)	9 50 hr.	100%	8.00	See Footnote[3]
Class C Fields	6.50 hr.	100%	.50	See Footnote[3]
(w/lights)	9.50 hr.	100%	7.00	See Footnote[3]
Bandshell (Minimum 4 hours)	150.00	100%	76.00	2,204
each additional hour			19.00	
St. Mary's Chapel (3 hours)	100.00	100%	90.00	47,520
or per hour rental	35.00	100%	30.00	
BMX Track (per race day)	50.00	100%	37.50	975
Rose Garden Wedding (3 hours)	0	100%	38.00	760

PARKS AND RECREATION USER FEES CONTINUED

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
RENTALS CONTINUED				
Memorial Stadium				
Regular Use	$2,100	100%	$2,153	$2,153
College Use	$ 700	33%	700	2,100
High School Use[4]	$ 500	N/A	500	2,000
Grady Cole Center				
Regular Use	$ 625	100%	765	4,650
Non-Profit	$ 500			
Park Rental	$ 0	100%	184	184
Recreation Center (Minimum 3 hour rental)				
Clubroom Only	$ 0	100%	14	42
Clubroom w/Kitchen	$ 0	100%	20	4,500
Gym Only	$ 0	100%	16	7,200
Entire Center	$ 0	100%	26	78
Youth Sports·				
Baseball	$ 0	0%		
Basketball	$ 0	0%		
Soccer (outdoor)	$ 140 per team	0%		
Soccer (indoor)	$ 144 per team	0%		
Adult Sports·[5]				
Softball (Spring/Summer)	$ 325 per team	100%	188	72,380
Softball (Fall)	$ 150 per team	100%	150	19,800
Volleyball (Spring)	$ 75 per team	100%	114	10,602
Volleyball (Winter)	$ 75 per team	100%	200	38,400
Volleyball (Fall)	$ 75 per team	100%	142	7,100
Women's Soccer	$ 170 per team	100%	458	1,832
Basketball (Winter)	$ 260 per team	100%	280	40,320
Basketball (Summer)	$ 245 per team	100%	254	8,128

PARKS AND RECREATION USER FEES CONTINUED

SERVICE/FEE	CURRENT	REC. POLICY	FEE (DIRECT COST ONLY)	ESTIMATED ANNUAL REVENUE 1ST YEAR
Swimming				
Outdoor Pools	$ .50 child		$ .75	$11,636
	$ 1.50 adult		1.50	930
Indoor Pool	$ 0 child	N/A	.75	38
	0 adult		1.50	75
Tennis				
York Road Renaissance Park Tennis Center/and Tennis Tournaments	$ 0	N/A	2.00	2,000
TREES				
Tree Ordinance Review	$ 0	100%	215.00	77,400
Tree Planting Co-Op Program	$ 40	50%	35 00	31,500
OTHER				
Photographic Location Fee	$ 0	N/A		1,000
TOTAL				$467,261

FOOTNOTES TO PARKS AND RECREATION FEES

[1]Phased-In (50% - 1st year, 75% - 2nd year, 100% - 3rd year)

[2]Amount of 3rd year fee (100%).

[3]Fees for Softball Fields are included in Athletic Fees.

4For the Annual Shrine Bowl Game, fees are levied to recover the direct costs for set-up and clean-up

[5]Athletic sports with fee increases will be phased-in over a three-year period

NOTES