AGENDA

Meeting Type	W
Date:	06-04-1990
SUBJECT	

City of Charlotte, City Clerk's Office

CHARLOTTE.

MAYOR AND CITY COUNCIL WORKSHOP AGENDA

JUNE 4, 1990

MAYOR AND CITY COUNCIL
WORKSHOP AGENDA

June 1, 1990

5:00 - 5:45	ATE Contract
5:45 - 6:00	Dinner
6:00 - 6:45	Economic Development Capital Needs
6:45	Airport CIP and Master Plan

June 4, 1990

City of Charlotte
City Council Members
600 E Fourth Street
Charlotte, NC 28202

Dear Council Members

Enclosed is a letter from Mr Ed Pigman, President of NTS, Inc which he asked that I deliver to you personally

Much discussion and thought preceded this approach to City Council

If you have questions which I can address, please feel free

Sincerely,

Susan Lindsay

2101 Sardis Road North Suite 126 • Charlotte North Carolina 28227 • (704) 537 2269

National Transit Services, Inc.

8901 East Almeda Rd
Houston Texas 77054
(713) 795-5022

June 4, 1990

City Council
City of Charlotte
600 East Fourth Street
Charlotte, N.C. 28202

Dear Members of Council:

I am President of National Transit Services, Inc. (NTS), one of the two firms which submitted proposals to the City of Charlotte to manage the City's public transportation system.

I have received Mr. R. N. Presley's letter date May 17, 1990 in which he informs me that the Selection Committee has recommended that the City by-pass NTS's proposal for management services, and accept a renewal of ATE's contract to continue providing this service.

I have learned that the City Council last Tuesday, May 29, deferred making a decision on this matter, and requested that it be carried over to a special study session on June 4, 1990 for further examination.

I am writing, reluctantly, to question the objectivity of the Technical Committee's report to the City Council. I do not want to try to respond here to every point in the Committee's Proposal Evaluation Summary, but I would like to point out a few issues to which we seriously take exception.

On pages 5 and 6 of the Summary, the Technical Committee cites a generally unfavorable review of Mr. Cliff Hayden, NTS's proposed resident general manager, which was done by Matt Grayczyk and Associates, Inc., a virtually unknown and inexperienced management consulting firm. NTS has independently learned that the Technical Committee also conducted extensive interviews with members of the Board of Directors of Tampa's HARTline, Mr. Hayden's previous employer, and that these Board members, including the Mayor of Tampa, gave strong, positive reviews of Mr. Hayden's performance which contrasted markedly with the findings reported by Matt Graczyk and Associates.

Given this conflicting information, it is curious and disturbing that only the unfavorable findings of the Graczyk audit were included in the Technical Committee's summary.

On the matter of financial stability of the firms, which is discussed on pages 6 and 7 of the Summary, the Committee makes an unfavorable report of NTS compared to ATE's parent company, Ryder system, Inc.

We do not dispute the fact that NTS had financial problems in 1989 that resulted in a decision to merge the company with a financially stronger partner, Holland Industries, Inc. What is unfair is that the Committee's Summary overlooks the financial problems of ATE which led to ATE's decision to sell out to Ryder System, Inc. and ignores Ryder's own problems which have been well documented in the Wall Street Journal during the past year amid speculation about a hostile takeover of Ryder and a 50% drop in the value of Ryder's stock. Size alone does not make a firm immune from financial problems. I believe the Committee's Summary does us an injustice and ignores our having resolved our problems at NTS.

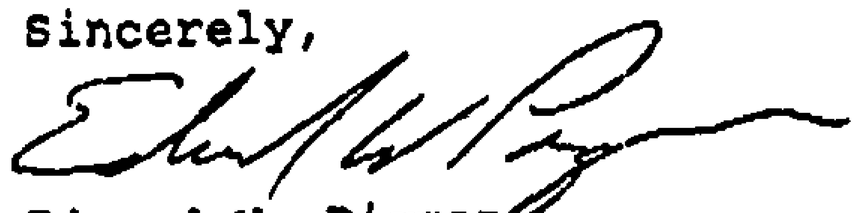
One more point we wish to state, that the Committee's Summary does not accurately reflect NTS's views about the levels of service for Charlotte Transit. We did not explicitly suggest "much higher service levels to keep pace with the City's rapid growth." We did, however, suggest that the service plan needs to become more aggressive and a different mix of services needs to be considered to keep up with Charlotte's growth.

In summation, NTS believes it offered a unique and reinvigorating proposal to Charlotte Transit, and we are disappointed that the Technical Committee has chosen to pass up this opportunity. I am taking the opportunity of this delay to ask you to grant our firm a personal appearance before the City Council to answer your questions on our proposal and to offer clarifications of certain important points which I fear have not been conveyed clearly to the Council in the Committee's recommendation.

I would like to point out that the starting date for the new contract does not occur until this coming September, so there is ample time for the City Council to study its options.

We look forward to hearing from you.

Sincerely,



Edward W. Pigman
President, National Transit Services

ATE CONTRACT

Council Action

Council is requested to select an option as a basis on which to proceed with this project:

1. Authorize the City Manager to renegotiate the terms of the loan in a way mutually agreeable to the City and West Trade-Beatties Ford Area Merchants Association. This might include long-term deferment of payment and/or repayment only out of available surplus funds or forgiveness of the loan based on performance over time. The City would still retain as security an assignment of lease for the renovated building.

2. Continue the loan as originally approved. Repayment will begin in the sixth year with all remaining funds due in the 20th year.

3. Convert the loan to a grant. City would maintain an assignment to the lease should the facility fail to be used as a successful business incubator.

Attached are the agenda and minutes of the July 25, 1989 Council meeting.

Attachment No. 8

14. Recommend the City Manager negotiate a three-year contract with ATE Management and Service Company, Inc., for transit management services.

Transit RFP

February 12, 1990 - Council approved the Request for Proposals (RFP) for management of public transit services and authorized the City Manager's Technical Committee to begin the selection process for a firm to manage Charlotte Transit. The current contract with ATE Management and Service Company, Inc., ends on August 31, 1990. Attachment 1 lists the members of the Technical Committee. Attachment 2 is a list of the companies receiving the RFP.

Two Proposals Received

March 30, 1990 - proposals were received from two companies--ATE Management and Service Company, Inc., and National Transit Services, Inc., (NTS). Transportation staff contacted companies that did not respond to determine why they did not submit a proposal. The primary reason for not responding

to the RFP, cited by the companies contacted, was the lack of qualified managerial candidates. Several of the firms replied in writing, and copies of these responses are available for review.

Interview Process

April 16 and 17, 1990 - The City Manager's Technical Committee met for presentations and oral interviews of ATE and NTS personnel.

ATE Recommended

The Technical Committee unanimously recommended to the Manager the selection of ATE for management of the City's transit system. The committee recommended acceptance of ATE's proposal for a three-person team identical to the present arrangement. The Technical Committee also requested Department of Transportation staff to prepare a report summarizing the committee's evaluation of the two respondents (Attachment 3).

The Technical Committee rated ATE superior in the following categories:

1) Experience with Similar-Fixed-Route Operations --ATE manages 11 systems equal to or larger than Charlotte compared to three systems managed by NTS. ATE oversees 86 transit systems compared to NTS's 16 contracts.

2) Proposed Management Team---ATE recommended continuation of the present three-person team of David Hines, Bob Williams, and Harvey Smith. Mr. Hines has served as General Manager since 1979; Mr. Williams has been Assistant General Manager for two years; and Mr. Smith has been Director of Maintenance ten years.

3) Financial Stability of Firm--ATE's parent company, Ryder System, Inc., had total assets of nearly $6 billion in 1989. NTS was acquired by Holland Industries, Inc., in January 1990 after NTS experienced financial problems last year.

4) Firm's Organizational Depth and Resources-- ATE's technical staff includes over 90 professionals with experience in all areas of transit management. The company also has 17 programs or services which are available to the City at no charge as part of the management contract.

5) Proposal Quality and Completeness--ATE responded more completely to questions asked by the committee during the personal interviews on issues such as labor-management relations, absenteeism, safety, and customer satisfaction.

ATE and NTS were rated evenly on contract costs by the committee although NTS's proposed annual price was approximately $100,000 lower than ATE's. (ATE's proposed first year cost is $304,000; NTS, $206,700.) The difference was attributed to ATE's proposal of a three-person team compared to NTS's provision of a single general manager. The City would assume responsibility for the salaries of two assistant general managers in NTS's proposal, resulting in the overall cost to the City being about the same under either proposal.

The Technical Committee found no compelling reasons to change from ATE, which has managed Charlotte Transit effectively since 1977, to NTS, which encountered financial difficulties in 1989.

Background information is attached.

Council Action: Council is requested to authorize the City Manager to negotiate a new three-year contract with ATE, based on the company's March 30 proposal. The final contract will be submitted for Council approval in July.

Funding: CDOT operating budget.

Clearances: Manager's Technical Committee

Attachment No. 9

15. Recommend approval of a contract to sell Cityfair and underlying land to American Fidelity Property Company for $3.5 million under the terms of the contract recommended by the Cityfair Real Estate Committee.

Cityfair

- November 1, 1989 - the City assumed ownership of Cityfair from Chemical/Denmont Holding Corporation.

- Late January, 1990 - the Urban Land Institute (ULI) Panel convened in Charlotte to make recommendations on Cityfair.

PROPOSAL EVALUATION SUMMARY

FOR

PUBLIC TRANSIT MANAGEMENT FOR

CITY OF CHARLOTTE, NORTH CAROLINA

Prepared For

City Manager's Technical Committee

By

Transportation Planning Division

Charlotte Department Of Transportation

600 East Fourth Street

Charlotte, North Carolina 28202-2858

May 1990

PROPOSAL EVALUATION SUMMARY

INTRODUCTION

The City Manager's Technical Committee was charged with evaluating the firms, and their proposals, for management of Charlotte Transit. The committee interviewed the two proposers - ATE Management and Service Company, Inc., and National Transit Services, Inc., (NTS) - on April 16 and 17, 1990. Following these interviews, each committee member rated the companies based on the information submitted in the proposal, presented at the interview and developed through contacts with references. The Technical Committee had developed six criteria for evaluating proposals and included these criteria in the Request for Proposal (RFP) to aid respondents in proposal preparation. This report summarizes the results of the Technical Committee's evaluation of ATE and NTS.

RESPONSIBILITIES OF THE MANAGEMENT COMPANY AND THE CITY

The City has contracted with a private company for management of the public transportation system since purchasing the assets of City Coach Lines in 1976. Management of the system by contract is necessary because: 1) North Carolina law prohibits municipalities from bargaining with labor unions, and 2) when bus systems are purchased by public agencies, federal law guarantees the right of the local transit employees to bargain collectively through union representation. To satisfy these legal requirements, the City contracts with a private company and requires the creation of a subsidiary (Transit Management of Charlotte (TMC)) to employ and bargain with the union-represented drivers and mechanics, as well as supervisory employees. The management firm then must comply with the employee bargaining rights protection provisions of Section 13(c) of the Urban Mass Transportation Act. Labor agreements are negotiated between the subsidiary (TMC) and the United Transportation Union, which represents the drivers and maintenance employees.

The management company is responsible for day-to-day management of Charlotte Transit, including vehicle maintenance, security, routes and schedules, fare analysis, safety, employee selection and training, equipment selection, and development of capital equipment specifications.

The management firm implements bus service which is established by the City Council and staff in accordance with policy documents such as the Five-Year Financial Management Plan, Charlotte Transit Service Standards and the City's Annual Budget. Although the management company has input to service adjustments, transit service levels are controlled by the Council-approved budget and financial efficiency standards, such as the 40 percent revenue-to-cost ratio.

The City is responsible for the following transit activities: long-range transit planning, marketing, public relations, purchasing, insurance, federal and state grant preparation and administration, and preparation of assurances of compliance with federal regulations.

OVERVIEW OF MANAGEMENT PROPOSALS

The two respondents presented somewhat different approaches to the management of Charlotte Transit. (Organization charts for both proposals are attached.)

National Transit Services

NTS proposed the reorganization of Transit Management of Charlotte (TMC) to provide a major division of the company focusing on employee and labor relations. Two Assistant General Managers, who would not be provided by the management firm, would report to the General Manager, who would be the only NTS employee. The Assistant General Manager for Human Resources would have equal responsibility and authority to that of the Assistant General Manager for Operations who would direct the transportation (includes drivers) and maintenance departments of CTS.

NTS proposed use of a subcontractor, Lindsay Employee Communications, Inc. (LEC), a Charlotte firm, to implement an expanded program of communication between labor and management. LEC would conduct employee attitude surveys, employee needs assessments, labor pool assessments, and a review of job descriptions, among other activities, during the first year of the contract.

NTS's annual contract cost would be $206,700 in the first year, $210,450 during the second year, and $214,650 in the third year. This management fee includes the services of the General Manager, the LEC subcontract, arbitration expenses, and 800 hours annually of central office support/consulting services.

ATE Management and Service Company, Inc.

ATE recommended continuing the present management structure. The company would provide three members of the management team: the General Manager, Assistant General Manager, and Director of Maintenance. The Director of Safety and Administration and the Director of Scheduling would continue to be employees of TMC.

ATE proposed a four-part management concept, including 1) its resident team of three persons (described above), 2) a Senior Management Executive to oversee the contract 3) technical support provided by ATE's full-time staff, and 4) the opportunity for the City to utilize a number of value-added services developed and marketed to the transit industry by ATE.

ATE's annual fee would be $304,000 in Year 1, $316,000 in Year 2, and $328,000 in Year 3. This amount would include all costs of the three-person resident team, relocation costs of ATE resident team members, arbitration expenses, professional labor costs for ATE staff to perform two studies annually, and the availability of special training programs.

TECHNICAL COMMITTEE EVALUATION OF TWO COMPANIES

The Technical Committee used the following six criteria to evaluate ATE's and NTS's proposals. The maximum number of points for each criterion is shown in parentheses, totalling to 100 points.

1)	Experience with Similar Fixed-Route Operations	(20 points)
2)	Proposed Management Team	(20 points)
3)	Financial Stability of Firm	(20 points)
4)	Three-Year Contract Price	(20 points)
5)	Firm's Organizational Depth and Resources	(10 points)
6)	Proposal Quality and Completeness	(10 points)

The following paragraphs discuss the Committee's rating of the two respondents for each criterion.

EXPERIENCE WITH SIMILAR FIXED-ROUTE OPERATIONS

NTS presently has a total of sixteen management and "turnkey" contracts including three systems with vehicle fleets larger than Charlotte Transit. The average length of NTS management contracts is seven years. Fourteen of NTS's current contracts have begun since 1983. NTS began managing one system in 1988 and one in 1989.

ATE currently manages fifty transit systems and operates an additional thirty-six systems as a "turnkey" contractor. The firm manages transit operations in ten cities (in addition to Charlotte) which have fleets larger than Charlotte Transit's. The average contract length for ATE is eleven years. Thirty-four of ATE's current management contracts (68 percent) began prior to 1983.

The Technical Committee gave <u>20 points to ATE</u> and <u>15 points to NTS</u> on this criterion. ATE has more contracts with systems comparable in size to Charlotte Transit and for longer periods of time. Of NTS's three comparable contracts, one is for interim management services in Tampa, FL and began in January 1990. The average length of the other two contracts is 4 1/2 years. The average contract length of ATE's eleven comparably-sized systems is fourteen years.

PROPOSED MANAGEMENT TEAM

The NTS proposal provides a single Resident General Manager, Cliff Hayden. The two other positions currently filled by ATE employees as a part of the contract with the City (Assistant General Manager

and Director of Maintenance) would be TMC employees. NTS proposed that these positions be filled through nation-wide recruiting conducted jointly by the City and NTS. This process would require several months.

Mr. Hayden's transit management experience was acquired with the Hillsborough Area Regional Transit Authority (HARTline) in Tampa,. FL. He began with the agency in 1977 as Planning and Programming Coordinator and was promoted to the position of Director of Administration and Deputy Director between 1980 and 1985. Mr Hayden served as HARTline's Chief Executive Officer from 1985 to January 1990. He earned an Associate of Arts degree from Manatee Junior College.

During the personal interview, Mr. Hayden attributed his January, 1990 resignation from HARTline to a political struggle over local control of a proposed light rail transit system. He stated that he resigned in order to serve the best interests of the transit agency.

ATE's proposal continues the present three-person management team. David Hines, the recommended General Manager, has served in this position for eleven years. Mr. Hines received a Bachelor of Arts degree from the University of Dayton and a Master of Arts degree from the University of Wisconsin.

Bob Williams and Harvey Smith would continue as Assistant General Manager and Director of Maintenance for TMC, respectively. Mr. Williams has served in his current position for about two years and has over twenty years of experience in transit operations. Mr. Smith has served as Director of Maintenance for Charlotte Transit since joining ATE in 1980. He has nearly 38 years of experience in vehicle maintenance.

The averages of the scores assigned by the eight members of the Technical Committee for this criterion were 19 points for ATE and 8 points for NTS . The three members of ATE's proposed team have a combined service with the company of 31 years led by Mr. Hines' service of over fifteen years. The group has over 46 years of transit experience. In the last contract evaluation report, performed in 1987 by the Budget and Evaluation Department, Mr. Hines achieved 71 percent of the twelve objectives included in the City's Management by Objectives Program.

Mr. Hayden is not currently an employee of NTS. While performing a reference check of his work in Tampa, the committee obtained a copy of a HARTline Management Performance Audit completed in January 1990 by Matt Graczyk and Associates, Inc. of Seattle, Washington. A copy of this report is available for review. The following information from this audit is particularly pertinent to the committee's evaluation:

- Leadership

  "In general, leadership from the Chief Executive Officer and the General Managers has not resulted in consistent planning, direction, and follow through in many areas. The auditors recommend that major changes be implemented in the composition of senior management staff."

- Labor Relations

  "It is the auditor's opinion that there are continuing problems with labor and employee relations. Negative employee/labor relations are compounded by poor communications between management and employees, both represented and non-represented".

- Filling Top Positions

  "The auditors find that poor judgment has been exercised in filling the majority of top positions. Merit selection principles and appropriate recruitment steps have not been utilized in filling a majority of General Manager positions."

- Hiring and Firing

  "Overall executive level leadership and influence to ensure a formal program of personnel selection, and effective employment and promotion practices for HART personnel is not apparent".

- Internal Communications/Public Relations

  "Efforts to establish regular and meaningful senior staff communications channels have not received necessary follow through and conflict avoidance has been characteristic in dealing with difficult communications issues. Many employees believe management provides inadequate information to employees."

FINANCIAL STABILITY OF FIRM

NTS was acquired by Holland Industries in January 1990. The parent company had total assets of $8.6 million as of September 30, 1988. Holland Industries had income, before taxes and extraordinary items, of $700,000 for fiscal year 1989. A Dun & Bradstreet rating was not available for Holland. NTS' report as an individual company is available, but no rating was given.

ATE has been a wholly-owned subsidiary of Ryder System, Inc. since 1986. ATE's parent corporation had total assets of nearly $6 billion as of December 31, 1989. Ryder's 1989 income (before taxes and extraordinary items) was $90 million. Ryder has received the highest financial rating from Dun & Bradstreet, Inc.

The Technical Committee gave 20 points to ATE and 8 points to NTS in this category. During the interview, NTS personnel stated that the company "reorganized" in 1989 because of financial difficulties. While conducting reference checks, the committee learned of an incident where NTS received the premium in 1989 from the City of Decatur, IL for renewal of a workers compensation policy but permitted the coverage to lapse without notifying the City. The NTS manager in Danville, Illinois received no paychecks in December, 1989. NTS's financial problems resulted in vendors not being paid in Fairfax, VA during November and December, 1989 where NTS operates a "turnkey" contract.

THREE-YEAR CONTRACT PRICE

The price proposals submitted by ATE and NTS were:

	YEAR 1	YEAR 2	YEAR 3
ATE	$304,000	$316,000	$328,000
NTS	206,700	210,450	214,650
Difference	97,300	105,550	113,350

The NTS fee includes the services of a single resident manager, costs of the subcontract with LEC, and 800 hours of central office support.

The ATE price proposal includes the costs for three resident personnel, relocation expenses for ATE team members, labor costs for Senior Management Executive and for ATE technical staff while conducting two studies annually, and for special programs.

Each company received 16 points from the Technical Committee for this criterion. The committee attributed the difference in costs to ATE's proposed three-person team, compared to NTS's provision of a single manager coupled with consulting assistance from LEC. Under NTS's proposal, the City would be responsible for the salaries of the Assistant General Manager for Operations/Maintenance and the Assistant General Manager for Human Resources Administration. In response to a request from the Technical Committee, NTS suggested an annual salary of $45,000 for each of these positions. When personnel costs (including fringe benefit and relocation expenses) for these two positions are included in the proposal cost evaluation, there is little difference between the two firms.

FIRM'S ORGANIZATIONAL DEPTH AND RESOURCES

The NTS proposal included the supervision and direction of the resident staff by NTS's central office personnel, monitoring of Charlotte Transit's performance by staff experts, provision of labor management services, and provision of support services from NTS's technical specialists. The subcontract with LEC was to ensure that the resident NTS manager had available any needed

personnel management resources, as well as information on community awareness and appreciation of transit service.

ATE's proposal cited the support of the resident team by ATE's technical services staff which includes over ninety professionals with experience in all aspects of transit management. The firm also discussed in the proposal seventeen managerial tools available to the City as part of the basic management fee:

- EZFLEET--Turley Computerized Fleet Maintenance System
- Management by Objectives (MBO)
- Computerized Performance Indicator Program (PIP) *
- Labor Database *
- Computerized Five-Year Strategic Planning Model--MULTIBUDGETS
- Operator Training Program/Maintenance Managers Manual *
- Regular Performance Audits *
- Resource Center--the largest depository of transit-related material in the country. *
- Accounting
- EZDATA--Computerized Passenger Counting System *
- Equipment Specifications and Procurement *
- Technical Memoranda *
- Parts Purchasing Program (through Ryder)
- Fuel Purchasing Plan (through Ryder)
- Inventory Locator Service (through Ryder) *
- Technical Seminars *
- EZRIDE--Demand Responsive Computer Software

* City currently uses.

The Technical Committee gave 10 points to ATE and 7 points to NTS in this category. Although the basic approach of supporting the resident manager with a central senior executive and a technical staff was the same for each proposal, ATE's value-added components (its proprietary computer software and resources available through Ryder) were not available from NTS. The size and diverse experience of ATE's technical staff also is superior. The possible benefits of NTS's proposed use of LEC to improve labor/management communications were reduced when the Technical Committee learned that LEC had little experience with labor unions. LEC's experience during its first five years has been primarily with small, owner-operated companies.

PROPOSAL QUALITY AND COMPLETENESS

Both proposals addressed the questions found in the Proposal Questionaire. Each company submitted a high-quality proposal in accordance with the RFP requirements.

ATE received 10 points and NTS received 7 points from the committee for this criterion. During both interviews, committee members asked representatives of ATE and NTS questions on safety, affirmative action, employee absenteeism, labor relations, and community perception of public transit. The responses from ATE personnel were more thorough than the answers offered by the

NTS/LEC team. While ATE's managerial candidates discussed emphases on customer relations and employee training as directions for Charlotte Transit to pursue, NTS's proposed manager participated very little in his firm's interview despite repeated questioning by the Technical Committee.

SUMMARY AND COMMITTEE RECOMMENDATION

The two companies received the following scores which are averages of individual ratings assigned by the eight members of the Manager's Technical Committee:

Criterion	NTS	ATE
Experience with Similar Fixed-Route Operations	15	20
Proposed Management Team	8	19
Financial Stability of Firm	8	20
Three-Year Contract Price	16	16
Firm's Organizational Depth and Resources	6	10
Proposal Quality and Completeness	7	10
Total	60	95

The basic issue before the Technical Committee, in choosing between ATE and NTS, was whether NTS offered any innovative ideas coupled with new personnel which would justify a change from ATE which had overseen Charlotte Transit since 1977. Responses to this question were provided by both companies in their proposals and during the interviews.

NTS responded by discussing their TMC re-organization designed to make human resource management equal in priority with operations. The company highlighted their relationship with LEC to obtain local input in personnel administration. Unfortunately, NTS's General Manager candidate was criticized in the January 1990 performance audit in the areas of labor relations, filling of key positions, hiring/firing, and internal communications. NTS's proposal did not include a person from their company to fill this important new position of Assistant General Manager for Human Resource Administration. Their local subcontractor, LEC, has little experience with a workforce as large as TMC which has union representation. Many of the techniques suggested by LEC during the interview for improving labor/management relations have already been tried unsuccessfully by ATE because of lack of cooperation from the union.

In making a case for changing management companies, NTS was critical of the amount of bus service being operated in Charlotte. They suggested much higher service levels to keep pace with the City's rapid growth. Transit service levels are not set by the management firm. The amount of service provided is controlled by the transit budget and financial standards (such as the 40 percent cost recovery ratio) which are adopted by City Council.

In responding to the question of why their firm should retain the management contract, ATE stressed their understanding of the system, acquired over the past thirteen years, development of the first Five-Year Financial Management Plan, negotiation of seven labor agreements, assistance in the design and construction of the new operations facility, and involvement in service expansion programs. ATE singled out the accomplishment of increasing service levels from 80 to 135 buses in peak periods while maintaining the 40 percent farebox recovery ratio and system productivity of 40 passengers per hour. The company also pointed out the negotiation of five labor contracts in the 1980's without a strike. During these negotiations, TMC gained use of part-time drivers, eliminated cost of living payments, and implemented absenteeism controls/bonuses which have reduced high absenteeism to 8 percent.

In justifying a continuation of the current contract, ATE highlighted the management stability provided by Dave Hines, General Manager for eleven years, and Harvey Smith, Director of Maintenance for ten years. This type of longevity in transit management is rare in the industry. ATE stressed the experience and technical skills of their management team. During the interview, each resident team member discussed the three challenges for TME over the next three to five years--customer service, growth management, and employee relations.

The Technical Committee, as shown by the scores given to each company, found ATE superior and clearly found no compelling reasons to change the management of Charlotte Transit. The attached table which compares selected information from each proposal shows why ATE is the superior choice. The committee recommends that the City Manager negotiate a new three-year contract with ATE in accordance with their proposal.

COMPARISON OF ATE AND NTS IN SELECTED AREAS

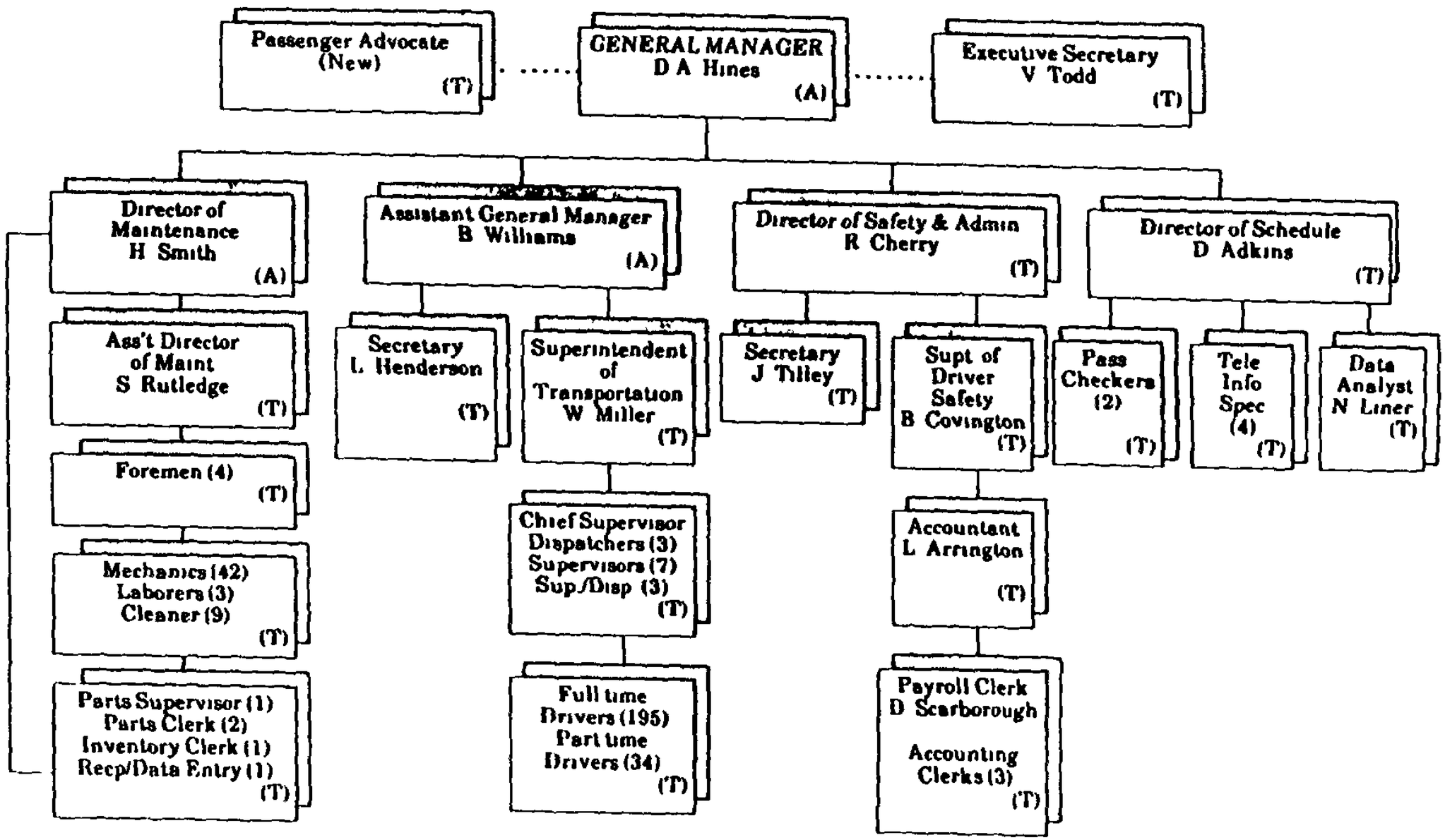
	ATE	NTS
Systems Currently Managed With Bus Fleets Larger than Charlotte Transit	11	3
Total Systems Managed or Operated under "Turnkey" Contract	86	16
Average Contract Length for Managed Systems	11	7
Number of Proposed On-site Managers	3	1 *
Years of Experience as the Senior Executive for Proposed General Managers	11	5
Educational Level of Proposed General Managers	Masters	Associate
Total Assets of Parent Companies	$6 billion	$9 million
1989 Income of Parent Companies (before taxes and extraordinary items)	$90 million	$700,000

* Plus 2 Assistant General Managers to be recruited and paid by the City (TMC).

03/28/90

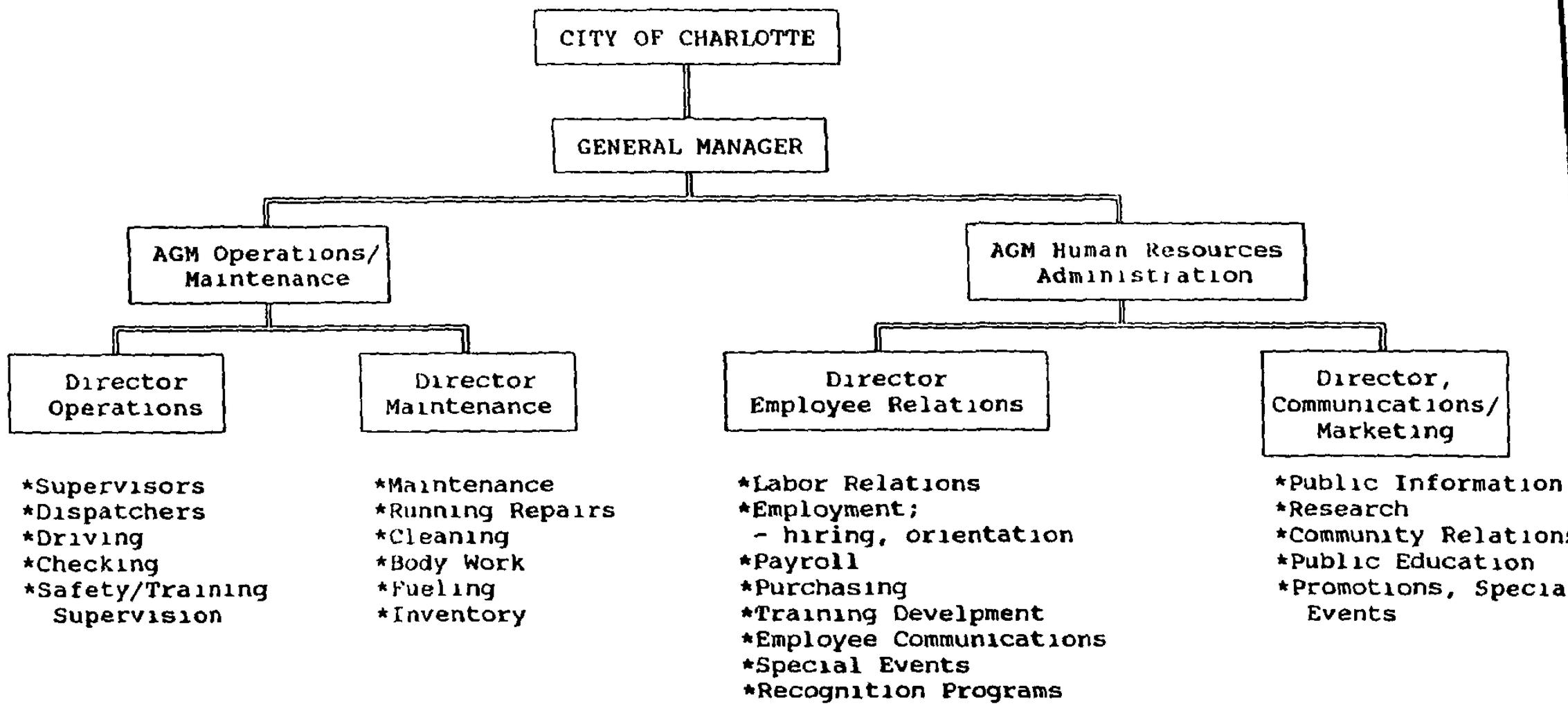
EXHIBIT II 1
PROPOSED FY91
CHARLOTTE TRANSIT SYSTEM
TRANSIT MANAGEMENT OF CHARLOTTE, INC.

(A) = ATE Employee
(T) = TMC Employee



Total Positions Full Time 278
Part Time 34

PROPOSED ORGANIZATIONAL CHART



Background Information - Transit System Management

On February 12, 1990, Council approved the Request for Proposals (RFP) for management of Public Transit Services and authorized the City Manager's Technical Committee to begin the selection process for a firm to manage Charlotte Transit. The current contract with ATE Management and Service Company, Inc., ends on August 31, 1990. Attachment 1 lists the members of the Technical Committee.

The City's RFP was advertised in the Charlotte Observer and Passenger Transport, a weekly publication of the transit industry. On February 13, 1990, copies of the RFP were mailed to 22 companies and individuals. The RFP was sent to two more companies after publication of the advertisement in Passenger Transport. Attachment 2 is a list of the companies receiving the RFP.

The Department of Transportation held a session to answer questions about the proposal on March 1. The session was attended by eight persons representing four potential respondents. An addendum was issued on March 8 to clarify issues discussed at the pre-proposal meeting. The addendum and a summary of the questions and answers discussed at the conference were mailed to all 24 firms which received the RFP.

On March 30, proposals were received from two companies--ATE Management and Service Company, Inc., and National Transit Services, Inc., (NTS). Transportation staff contacted companies that did not respond to determine why they did not submit a proposal. The primary reason for not responding to the RFP, cited by the companies contacted, was the lack of qualified managerial candidates. Several of the firms replied in writing, and copies of these responses are available for review.

The Manager's Technical Committee met on April 16 and 17 in conjunction with presentations and oral interviews of ATE and NTS personnel. Following the two interviews, committee members rated the proposals by assigning a numerical score to each company's responsiveness to the six evaluative criteria developed by the committee. These criteria had been listed in the RFP for the proposers' information.

The Technical Committee unanimously recommended to the Manager the selection of ATE for management of the City's transit system. The committee recommended acceptance of ATE's proposal for a three-person team identical to the present arrangement. The Technical Committee also directed Department of Transportation staff to prepare a report summarizing the committee's evaluation of the two respondents (Attachment 3).

ATTACHMENT 1

CTS RFP TECHNICAL COMMITTEE MEMBERSHIP

George P. W. Harmon
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513/443-3102

Julie Burch
Assistant City Manager
City of Charlotte, NC

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City of Charlotte, NC

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ATTACHMENT 2

COMPANIES/INDIVIDUALS RECEIVING RFP

1. ATE Management and Service Company, Inc., Cincinnati, OH
2. American Transit Corporation, St. Louis, MO
3. CCL Management, Inc., Jacksonville, FL
4. Carter-Goble Associates, Columbia, SC
5. NTE Transit Management, Biloxi, MS
6. National Transit Services, Inc., Houston, TX
7. Raleigh Transportation Services, Raleigh, NC
8. Transportation Management Services, Inc., Alexandria, VA
9. DAVE Systems, Inc., Boston, MA
10. Laidlaw Transit, Inc., Concord, CA
11. Greyhound Lines, Inc., Dallas, TX
12. Mayflower Contract Services, Inc., West Allis, WI
13. Michael Baker, Inc., Coraopolis, PA
14. Corporate Personnel Consultants, Charlotte, NC
15. Lindsay Employee Communications, Charlotte, NC
16. Arnett Transportation Systems, Phoenix, AZ
17. Durham Transportation, Inc., Rosemead, CA
18. Holland Industries, Inc., Toledo, OH
19. Metro Ride, Inc., Minneapolis, MN
20. Virginia Coach Lines, Richmond VA
21. Samuel Elijah McClure, Charlotte, NC
22. Total Transportation Systems, Charlotte, NC
23. Crain and Associates, Inc., Menlo Park, CA
24. McDonald Transit Associates, Inc., Fort Worth, TX

ECONOMIC DEVELOPMENT
PROJECT SUMMARY

PAGE NUMBER	PROJECT	FY91-00 PROJECT REQUEST	PLANNING STAFF ASSESSMENT RATING*
	Aviation		
173	Airport Hotel Development	Undetermined	L
	Community Development		
174	Job Creation for Self-Sufficiency	33,290,900	H-1
	SUB TOTAL	$33,290,900	
	Economic Development		
175	New Convention Center	150,000,000	H-2
176	NFL Stadium	159,200,000	H-2
177	Jobs Near People**	20,000,000	M-2
178	Go Westside**	50,000,000	H-2
	SUB TOTAL	$379,200,000	
	Engineering/Economic Development		
179	Visitor Amenities for Uptown Charlotte**	Undetermined	—
	Historic Landmarks Commission		
180	Uptown Vintage Trolley Line - Planning and Provisional Operation**	70,000	H-1
	SUB TOTAL	$70,000	

*PLANNING STAFF ASSESSMENT RATING H - High Priority, M Medium Priority, L Low Priority (Plus Year of Requested Funding), QP - Questionable Project
See explanation of rating system in the Summary Section

**New Project

PAGE NUMBER	PROJECT	FY91-00 PROJECT REQUEST	PLANNING STAFF ASSESSMENT RATING*
	Planning Commission		
181	Business Corridor Revitalization	11,000,000	H-1
182	Uptown Residential/Office Locations**	77,165,000	H-1
183	Charlotte Uptown Streetscapes	39,530,000	H-1
184	Bus Marshalling Facility**	910,000	M-1
185	Governmental Plaza Construction	5,873,000	M-1
186	Sugar Creek Greenway Demonstration Project**	3,000,000	M-2
187	Alexander Street Closing and Redesign	1,320,000	M-1
	SUB TOTAL	$138,798,000	
	TOTAL	$551,358,900	

*PLANNING STAFF ASSESSMENT RATING H - High Priority, M - Medium Priority, L - Low Priority (Plus Year of Requested Funding), QP - Questionable Project
See explanation of rating system in the Summary Section

**New Project

ECONOMIC DEVELOPMENT
PROJECT ADJUSTMENTS

The following projects were deleted or revised relative to last year's Ten Year Capital Needs Book

PROJECT DELETED	EXPLANATION
Fund for Revitalization and Economic Development	*This project was not submitted this year*
Economic Development Business Incubator	This project was not submitted this year
Connect Overhead Wiring to Underground along City Streets in Uptown Charlotte	This project was not submitted this year
Baseball Stadium	This project was constructed outside of Charlotte
Street Access to Overstreet Pedestrian System	This project was not submitted this year
Trade Mart Land Acquisition	This project is complete

Category ECONOMIC DEVELOPMENT **Submitted By** AVIATION

Project

Airport Hotel Development

This project provides for the construction of a major hotel complex containing approximately 250 rooms on the Airport property

The need for this project is based upon the rapidly increasing use of the existing Airport terminal facilities. Because the Airport serves as a hub for a major airline, Charlotte becomes a convenient destination for meetings and conventions The project would provide hotel rooms and meeting rooms within easy access of the terminal, therby offering visitors the option of remaining at the Airport environs It is anticipated that the role of the City in the project would be limited to a ground lease and some infrastructure cost A private developer would construct the hotel, and a hotel franchise will operate the facility

FY 1991 - 2000 Project Request

Undetermined

(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design							
Acquisition	Undetermined						
Construction							
Total							

Planning Staff Assessment

Overall Rating L- (Low Priority)

Planning staff feels that this project should be undertaken if a market analysis is conducted and supports the construction of a hotel at the Airport Should this project be undertaken, Planning staff should be involved in the review of the plans for the construction of this project

NOTE This project was ranked #20 among the 22 projects submitted by Aviation

Category ECONOMIC DEVELOPMENT **Submitted By** COMMUNITY DEVELOPMENT

Project

Job Creation for Self-Sufficiency

This project is needed to bring the financial assistance through economic development loan fund programs into compliance with the City's Housing Policy Plan.

The project will provide funding to create new job opportunities for persons targeted by the City's Housing Policy Plan toward an effort to make them economically self-sufficient

Loans will be targeted to create jobs for persons who earn 60% and less of the Charlotte area's median income and who are

a) displaces by action of the City's Community Development Department,
b) residents in City-owned housing,
c) listed on the Charlotte Housing Authority's Master Waiting List, or
d) currently living in overcrowded, substandard, or unaffordable housing

Priority assistance for job development and placement will be provided to displacees by action of the City's Community Development Department. The Relocation Section of Community Development will coordinate the job training and placement action with the Employment and Training Department and the Neighborhood Development Division of the Community Development Department

FY 1991 - 2000 Project Request $33,290,900

(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design							
Acquisition							
Construction	2,000,000	2,160,000	2,332,800	2,519,400	2,721,000	2,938,700	18,619,000
Total	$2,000,000	$2,160,000	$2,332,800	$2,519,400	$2,721,000	$2,938,700	$18,619,000

Planning Staff Assessment

Overall Rating H-1 (High Priority - First Year Scheduling)

Planning staff supports this important project, which would create new jobs for persons targeted by the City's Housing Policy Plan in order to make them economically self-efficient. This project supports the revitalization objectives of the Generalized Land Plan 2005 Planning staff recommends that the feasibility of combining this project with the Jobs Near People project, submitted by Economic Development, be given consideration

NOTE This project was ranked #5 among the 5 projects submitted by Community Development

Category ECONOMIC DEVELOPMENT **Submitted By** ECONOMIC DEVELOPMENT

Project

New Convention Center

This project provides funds for acquisition of land and the planning and construction of a new convention center

The new convention center, to be located on the site of the Old Carolina Trade Mart and Young Ford property, will be around 750,000 square feet, including an approximately 300,000 square foot exhibition hall Currently, the City and Coliseum-Convention Authority are spending approximately $600,000 for preliminary plans, soil and site tests, and creation of a financing plan The project should be completed by March, 1994

FY 1991 - 2000 Project Request

$205,000,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	5,000,000	20,000,000					
Acquisition	30,000,000						
Construction			10,000,000	140,000,000			
Total	$35,000,000	$20,000,000	$10,000,000	$140,000,000			

Planning Staff Assessment

Overall Rating H-2 (High Priority - Second Year Scheduling)

Planning staff is in full support of this project which will provide the City of Charlotte with new convention opportunities This project is in concert with the goals and objectives of the Generalized Land Plan 2005 and the Urban Design Plan, Center City Charlotte

Category ECONOMIC DEVELOPMENT **Submitted By** ECONOMIC DEVELOPMENT

Project

NFL Stadium

This public-private project funds $34,200,000 for public acquisition of land, provision of a 1,200 space parking deck and development of necessary infrastructure The private sector will build a 60,000-65,000 seat stadium costing approximately $125,000,000

There is no facility available in the region adequate to handle a professional football team. This project is expected to take 2-3 years to complete, and will enhance the national image of Charlotte and the region and draw crowds into the Uptown area to reinforce its vitality as the center of the region. It is anticipated that an NFL Franchise in Charlotte would have a $50-60 million annual economic impact

FY 1991 - 2000 Project Request $159,200,000 ($34,200,000 public)
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design							
Acquisition							
Construction							
Total	$159,200,000						

Planning Staff Assessment

Overall Rating H-2 (High Priority - Second Year Scheduling)

Planning staff supports this project to ensure that the land for the NFL Stadium is available should an NFL Franchise be awarded to Charlotte.

NOTE The FY 1991-2000 Project Request shown does not include State and/or County participation

Category ECONOMIC DEVELOPMENT **Submitted By** ECONOMIC DEVELOPMENT

Project

Jobs Near People (New Project)

This project will acquire or otherwise control existing and potential industrial land, as well as available railroad rights-of-way to maintain a sufficient inventory of accessible land on which to expand the manufacturing base of Charlotte.

Land, will be sought not only in the Central District, but also in other Planning Districts containing an available labor force Land along railroad rights-of-way may form the basis of linear, inner city industrial parks Other sites may be assembled in neighborhoods to provide high quality jobs near the available labor force. Opportunities to jointly locate university or community college based training facilities with employment should be encouraged and planned

Innovative methods to stimulate construction of advanced technology manufacturing facilities may be considered including financing and leasing

FY 1991 - 2000 Project Request

$20,000,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design		100,000	25,000	25,000	25,000	25,000	
Acquisition		1,000,000	3,000,000	4,000,000	4,000,000	3,000,000	
Construction			500,000	2,000,000	1,000,000	1,300,000	
Total		$1,100,000	$3,525,000	$6,025,000	$5,025,000	$4,325,000	

Planning Staff Assessment

Overall Rating M-2 (Medium Priority - Second Year Scheduling)

Planning staff supports this concept, however, Planning staff should be involved in the identification of existing and potential industrial land to ensure consistency with existing and proposed plans and/or policy Also, encroachment into railroad rights-of-way should be minimized in an effort to maintain these rights-of-way for future light rail opportunities The Planning staff recommends that the feasibility of combining this project with the Job Creation for Self-Sufficient project, submitted by Community Development, be given consideration

Category ECONOMIC DEVELOPMENT **Submitted By** ECONOMIC DEVELOPMENT

Project Co Westside - Area Revitalization (New Project)

This project aims to make the Westside of Charlotte more attractive as a place to live and work, and through this, further balance growth in the community. Commitment of $50,000,000 in public funds will be designed to stimulate $150-250 million in private investment over the next 10 years.

Economic development zones will be defined along existing corridors and around existing assets to increase the quality and value of development for workers and residents Funds will be used for projects that stimulate self-sufficiency of individuals/neighborhoods, that leverage the financial commitment of area property owners to revitalize their property, and that increase the long term value of property and the vitality of neighborhoods in the Westside

This project seeks to comprehensively redress the inadequate investment in and development of the Westside of Charlotte For each dollar of public funds to be used, three to five dollars of private funds will be leveraged. Thus, property taxes will substantially increase and eventually pay back the public investment Commercial, industrial, and residential development/revitalization will be linked to create vital communities An appropriate organizational structure that integrates public, private, and nonprofit efforts will be sought to coordinate community resources Among the methods to be considered are land assembly, long term financing, provision of infrastructure, neighborhood art, place makers, and day-care

This project should be viewed as a prototype for other geographical areas of the City

FY '1991 - 2000 Project Request $50,000,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design							
Acquisition							
Construction							
Total		$1,000,000	$4,000,000	$5,000,000	$5,000,000	$5,000,000	$30,000,000

Planning Staff Assessment Overall Rating H-2 (High Priority - Second Year Scheduling)

Planning staff supports this project. Efforts undertaken to revitalize the westside should be coordinated with the Planning staff to ensure conformance with approved plans and/or policy This project is in concert with the neighborhood reinvestment strategies as outlined in the Generalized Land Plan 2005

City of Charlotte
Ten Year Capital Needs Assessment FY 1991 2000

Category ECONOMIC DEVELOPMENT **Submitted By** ENGINEERING/ECONOMIC DEV

Project Visitor Amenities for Uptown Charlotte (New Project)

Charlotte appears to have relatively few amenities to attract outside visitors, including tourist conventions, etc (i e San Francisco has cable cars, Boston has historical significance, etc)

This project would construct facilities to enhance the City's image throughout the United States

FY 1991 - 2000 Project Request Undetermined
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design							
Acquisition							
Construction	Undetermined						
Total							

Planning Staff Assessment

Because this project was submitted for discussion purposes only, the Planning staff will not provide an assessment at this time Planning staff does feel that this project should be given consideration and a determination made on what types of amenities, if any, are appropriate for Charlotte Planning, Economic Development, and the Engineering Departments should begin discussion on this project

Category ECONOMIC DEVELOPMENT **Submitted By** HISTORIC LANDMARKS COMM.

Project Uptown Vintage Trolley Line - Planning and Provisional Operation (New Project)

This project provides for planning for the feasibility and implementation of a vintage trolley line on the unused portion of the Norfolk Southern railroad track from the former Seaboard Air Line Passenger Terminal in First Ward to Tremont Avenue in Dilworth and for the completion of the restoration of a 40-seat vintage trolley for provisional operation on the line

The Urban Design Plan Center City Charlotte calls for the development of a trolley service plan The Historic Landmarks Commission owns the Seaboard Air Line Railroad Passenger Terminal and has received funds from the County to purchase approximately 3/4 acres of land surrounding the station. Moreover, the Historic Landmarks Commission has raised approximately $48,000 of private money to date to begin restoration of a vintage trolley which it owns The Retail Task Force of the Central Charlotte Association has endorsed the trolley line, and Norfolk Southern Railroad has agreed to lease the track The plan will determine capital needs of the trolley line, assess operating costs, estimate economic benefits, and begin provisional operation

FY 1991 - 2000 Project Request $70,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	20,000						
Acquisition							
Construction	50,000						
Total	$70,000						

Planning Staff Assessment Overall Rating: H-1 (High Priority - First Year Scheduling)

Planning staff supports this project, which would implement a recommendation in the Urban Design Plan Center City Charlotte This project would complete the restoration of the only known restorable Charlotte trolley and would increase the chances for the adaptive reuse of the former Seaboard Air Line Railroad Terminal, which is listed in the National Register of Historic Places

The Retail Task Force of the Central Charlotte Association has endorsed the establishment of the vintage trolley line, which should benefit retail activities in Uptown Charlotte. This project is not primarily a transportation issue but a cultural/economic development issue

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project

Business Corridor Revitalization

This project provides funds for land acquisition and capital improvements to expand the City's role in economic development and revitalization efforts

This project is needed to implement recommendations in several area plans, calling for public investment to provide incentives and stimulation of revitalization efforts in various sections of the City These areas include the following Wilkinson Boulevard, South Boulevard (Dilworth), North Tryon Corridor, Beatties Ford Road and Plaza Central The funds will be used for improvements such as landscaping in medians, planting street trees, constructing sidewalks, curbs and gutters, pedestrian scaled lighting, public gathering and seating spaces, and reduction of overhead wires.

This project meets the need by implementing recommendations in several area plans, which will enhance economic development and revitalization efforts in several areas throughout the City

FY 1991 - 2000 Project Request $11,000,000

(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Acquisition							
Construction	950,000	950,000	950,000	950,000	950,000	950,000	4,750,000
Total	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$5,000,000

Planning Staff Assessment

Overall Rating H-1 (High Priority - First Year Scheduling)

Planning staff supports this project which would implement the recommendations of various area and special project plans This project is in concert with the goals and objectives of the Generalized Land Plan 2005

NOTE This project was ranked #2 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project

Uptown Residential/Office Locations (New Project)

This project provides for the acquisition of land and the concomitant design and development into Uptown Address Locations

Uptown Address Locations are needed as an amenity and as an identifiable address to stimulate residential and office development As a component of the Urban Design Plan, Center City Charlotte, five such open spaces are to be developed A one-half block site, approximately two acres, along Brevard Street and between Second Street and Third Street will be an office address. The second office location is approximately one and one-half acres and is located between Poplar, Mint Street, Fourth and Third Streets A one and one-half acre park will be located at the northeast corner of Clarkson Street and West Fifth Street. It will be a residential address location. The second residential open space is located along Tryon Street and Seventh Street and is approximately two acres The third residential address location is at Marshall Park and as such will only require redevelopment These parks will all contain walkways, furniture, lighting, vegetation and other elements commonly associated with urban parks These projects will stimulate redevelopment and new investment In addition, the private sector should be encouraged to co-develop an underground parking area with each park The priorities are as follows 1) Tryon area, 2) Marshall Park, 3) West Fifth area, 4) Brevard area, and 5) Poplar/Mint area

FY 1991 - 2000 Project Request $77,165,000

(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	3,380,000	3,660,000	3,940,000	4,256,000			
Acquisition	7,500,000	2,808,000	1,521,000	4,410,000			
Construction		10,130,000	10,980,000	11,820,000	12,760,000		
Total	$10,880,000	$16,598,000	$16,441,000	$20,486,000	$12,760,000		

Planning Staff Assessment

Overall Rating H-1 (High Priority - First Year Scheduling)

Planning staff supports this project which will help to implement the goals and objectives of the Urban Design Plan, Center City Charlotte This project is in concert with the goals and objectives of the Generalized Land Plan 2005

NOTE This project was ranked #4 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project Charlotte Uptown Streetscapes

This project provides for street trees, pavers, sidewalks, furniture, lighting and signage to enhance the image of several Uptown streets

The need to stimulate development, to accentuate pedestrian delight and to increase safety has resulted in this project The entire length of College Street and Church Street within the I-277 loop will receive new streetscape treatment North Tryon Street, from Eighth Street, from the Government Center to the address location at Poplar Street and Mint Street, will also receive similar treatment. In addition, Seventh Street will be improved to link the First Ward Neighborhood with the Fourth Ward Neighborhood Independence Boulevard, from the intersection of Seventh Street to the bridge at Sugar Creek, will receive a planted median as well as other streetscape improvements Finally, Elizabeth Avenue, between the intersection of Hawthorne Avenue and Independence Boulevard, will receive streetscape improvements The priorities are as follows 1) College St /Church St /Tryon St , 2) Fourth St /Seventh St , 3) Independence Blvd /Elizabeth Ave.

FY 1991 - 2000 Project Request $39,530,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	4,880,000	5,400,000					
Acquisition							
Construction		9,000,000	9,720,000	10,530,000			
Total	$4,880,000	$14,400,000	$9,720,000	$10,530,000			

Planning Staff Assessment Overall Rating H-1 (High Priority - First Year Scheduling)

Planning staff supports this project which will help to implement the Uptown Streetscape Plan and the Urban Design Plan, Center City Charlotte This project is in concert with the goals and objectives of the Generalized Land Plan 2005

NOTE This project was ranked #6 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project Bus Marshalling Facility (New Project)

This project provides for the land acquisition to construct a parking facility for buses, which will be used by Discovery Place, the Performing Arts Center, schools, Spirit Square, etc

This project is needed to alleviate the danger and traffic congestion created by buses These buses transport patrons (mostly school children) and then line the streets while waiting to reload This facility will provide space, at a satellite site, thereby relieving congestion and the attendant safety problem This project will provide funds for the acquisition, design and construction of a landscaped parking lot, approximately one and three quarters acres The site, as recommended in the Urban Design Plan, Center City Charlotte, is along 12th Street between Brevard Street and Caldwell Street.

FY 1991 - 2000 Project Request $910,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	80,000						
Acquisition	400,000						
Construction		430,000					
Total	$480,000	$430,000					

Planning Staff Assessment Overall Rating M-1 (Medium Priority - First Year Scheduling)

Planning staff supports this project which will greatly improve the accommodation of buses for large events in the uptown area This project is in concert with the goals and objectives of the Urban Design Plan, Center City Charlotte

NOTE This project was ranked #7 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project

Governmental Plaza Construction

This project provides for the planning, design, and construction of a governmental plaza between the City/County Governmental Center and the existing City Hall

This project is needed in order to enhance the beautification of the Governmental Center area and to facilitate the delivery of services to citizens in the existing City Hall The project would be coordinated with the renovation and upfitting of the City Hall building and the relocation of Fire Station No. 1 The project would demolish the entire City Hall annex, construct the plaza which is proposed as part of the Governmental Center project (including one block of Fourth Street), construct a parking area underneath the plaza level for City Hall departments, and construct a drive-through water and sewer accounts payable window

FY 1991 - 2000 Project Request

$5,873,000

(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	500,000						
Acquisition							
Construction		5,373,000					
Total	$500,000	$5,373,000					

Planning Staff Assessment

Overall Rating M-1 (Medium Priority - First Year Scheduling)

Planning staff supports this project which would contribute to the completion of plans for the Government Center

NOTE This project was ranked #8 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project Sugar Creek Greenway Demonstration Project (New Project)

This project provides for the design and construction of a destination park which features paths, seats and a water pool.

This project, as a component of the Urban Design Plan, Center City Charlotte, is needed to complete Thompson Park. It is also needed to demonstrate to the public and private sectors the potential of Sugar Creek. A clear pool, approximately one-third of an acre, will be created and will be filled with the filtered water of Sugar Creek In addition, trees, shrubs, walkways, outdoor furniture, lighting and other elements commonly associated with park settings will be provided This project will enhance the image of the city as well as stimulate further development of Sugar Creek In addition, bikeways will be constructed

FY 1991 - 2000 Project Request $3,000,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design		600,000					
Acquisition							
Construction			2,400,000				
Total		$600,000	$2,400,000				

Planning Staff Assessment Overall Rating M-2 (Medium Priority - Second Year Scheduling)

Planning staff supports this project which would contribute to the implementation of the goals and objectives outlined in the Urban Design Plan, Center City Charlotte and the Generalized Land Plan 2005.

NOTE This project was ranked #13 among the 16 projects submitted by the Planning Commission

Category ECONOMIC DEVELOPMENT **Submitted By** PLANNING

Project Alexander Street Closing and Redesign (New Project)

This project provides an enhanced streetscape and pedestrian linkage from the Governmental Center to the First Ward area.

This plan implements a component of the Governmental Center Open Space Plan It is also a key recommendation of the Urban Design Plan, Center City Charlotte. This plan provides street trees, pedestrian scaled lighting, outdoor furniture and other elements associated with enhanced pedestrian ways. In addition, the street will be closed to create an open space for planned activities It is needed to enhance the image of the area as well as to link the government center with the First Ward area.

FY 1991 - 2000 Project Request $1,320,000
(Includes 8% Annual Inflation)

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-00
Planning/Design	264,000						
Acquisition							
Construction		1,056,000					
Total	$264,000	$1,056,000					

Planning Staff Assessment Overall Rating M-1 (Medium Priority - First Year Scheduling)

Planning staff supports this project which is in concert with the goals and objectives of the Governmental Open Space Study and the Urban Design Plan, Center City Charlotte

NOTE This project was ranked #15 among the 16 projects submitted by the Planning Commission

Airport CIP and Master Plan

Included in the workshop's agenda material is a copy of the proposed 1991-95 Airport Capital Improvement Program; a brief summary of the approved Airport Master Plan; a copy of the July 27, 1987 City Council action which adopted the Master Plan; and a status report on the Southwest District land use plan which includes the airport.

At the workshop, Jerry Orr, Aviation Director, will make a short presentation on the Master Plan.

AIRPORT MASTER PLAN UPDATE

In 1985 Council selected Howard Needles Tammen & Bergendoff, a nationally recognized airport consulting firm, to update the Airport Master Plan for the next 20 years and establish a general direction for airport development and provide a basis for the many airport development decisions to be faced by the City. The Master Plan was updated in accordance with FAA Master Plan requirements. A study of aircraft noise compatibility was conducted in tandem with the planning study.

Projections of airport activity were developed for the Airport to the year 2005, in conjunction with the FAA's Charlotte Hub Forecast. The forecast projected an increase in passenger enplanements to 12,986,000 by the year 2005, a 300 percent increase over 1984 levels.

Total airport operations were forecast to increase from a 1984 level of 310,000 to 605,000 in 2005. Over the time period, air carrier and regional airline operations were projected to increase by 211 percent, with general aviation operations increasing by 164 percent.

The extent of additional airport facilities needed to meet the projected growth in the airport were identified. Different ways of providing the required facilities were examined and considered, and the best features of each option integrated into a final recommended airport development concept.

The recommended airport development plan included a series of improvements required to enable the Airport to meet the aviation needs of the Charlotte area into the 21st century. These improvements have been grouped into three development phases (1986-1990, 1991-1995 and 1996-2005) based on the priority and need identified by the Master Plan. The major projects recommended for each of the development phases include:

1986-1990

- Extension of Runway 18L-36R by 1,000 feet to the south.
- Taxiway improvements to enhance airport capacity and ground circulation.
- Extension of Concourse B of the terminal building to support 5 additional air carrier gates.
- Expansion of main terminal building to create additional circulation and concession space, ticketing and baggage claim, and international arrival FIS facility
- Reconfiguration of the terminal loop roadway with direct access to Interstate 85.
- Construction of a four-level parking garage in the existing short-term lot.
- Expansion of FBO and air cargo facilities.

1986-1990continued

- Acquisition of 323 acres of land.

1991-1995

- Extension of Concourse A to provide for a total of 11 air carriers and 6 regional carrier gates.
- Additional taxiway improvements.
- Additional automobile parking improvements.
- Acquisition of 276 acres of land.

1996-2005

- Construction of an 8,000 foot north-south runway 1,200 feet west of Runway 18R-36L.
- Additional extension of Concourse A to provide a total of 14 air carrier and 7 regional carrier gates.
- Additional automobile parking improvements.
- Additional FBO and cargo improvements.

Total capital expenditures for all phases of the recommended concept was estimated to be $187 million (1985 dollars). Approximately $42 million was to be covered by current bond issues, leaving $145 million in additional costs to be funded.

The Master Plan was submitted to and adopted by the City Council on July 27, 1987.

Request for Council Action

Charlotte

To the City Council
From the City Manager
Action Requested Recommend approval of Airport Master Plan Update, and F.A.R. Part 150 Airport Noise and Land Use Compatibility Program.

Responsible Department Airport

This request should be organized according to the following categories Background, Explanation of Request Source of Funding, Clearances, Bibliography

APPROVED BY CITY COUNCIL
JUL 27 1987
Pat Shirley
City Clerk

The Federal Aviation Administration requires that Airport Master Plans be updated periodically as a basis for on-going Airport improvement projects and Federal participation in the funding of these programs. The most recent complete master plan for the Airport was prepared in 1968, with partial updates and revisions in the period through 1978. In March, 1985, the City hired a nationally recognized airport planning firm, Howard, Needles, Tammen & Bergendoff, to update the Airport Master Plan. This update was conducted in accordance with FAA's requirements and has been funded with 75% Federal participation. The objective of a master plan is to provide guidelines for long-term development which will accommodate future aviation demand, while addressing environmental and socio-economic issues.

An important element of planning programs for airports is noise compatibility planning. Technical information gathered during the Airport Master Plan process provides a data base from which the impacts of noise on the airport environs can be determined and integrated into community planning decisions. Noise compatibility programs which are developed in accordance with Federal Aviation Regulations (F.A.R. Part 150) and approved by the FAA are eligible for 80% Federal funding.

The Airport Master Plan Advisory Committee was established to monitor and assist in the planning work. This group has a broad base

For Office Use Only

Date Submitted 7/22/87

Agenda Date Requested 7/27/87

Consequences if Agenda Date is Delayed or Action is Deferred

Contact Person for Questions from the City Manager s Office Julie Burch

Authorized by

Department Head

Approved by

Assistant City Manager

List Attachments

including airport, city, county, business, and neighborhood representation. Also, seven public meetings and five open house workshops were held during the study to brief interested citizens and to receive their comments and input.

On February 5, 1987, a public hearing on the Airport Master Plan was held before City Council at West Mecklenburg High School. Subsequently, three workshops were held with Council to resolve several policy issues. At the most recent workshop on July 2, Council gave policy direction on issues which have been raised during the master planning process.

Council is requested to take the following actions:

1. Approve the Airport Master Plan update as a general guideline to future development of the Airport. Approval of the plan by City Council does not approve funds or initiate any individual projects associated with the Master Plan. Each project will have to be evaluated on its merits at the time the need for the project becomes imminent. Certain projects will require environmental assessments including public hearings as well as detailed financial analysis.

2. Approve submission of Airport Noise and Land Use Compatibility (F.A.R. Part 150) program to the Federal Aviation Administration.

Below is a summary of the policies informally approved by Council on July 2 and for which formal approval is now being requested.

Airport Master Plan Issues

Informal City Council Decisions of July 2, 1987

Recommended for Final Approval July 27, 1987

Issue #1· Airport Master Plan/Part 150 Goals

Decision Point: Does the Council support the original goals set forth prior to the master plan planning process?

- o Goal summary· to continue meeting the needs of the airport by providing for all future expansion opportunities. (Attached: detailed goals and objectives presented at a Council luncheon prior to beginning the master planning process).

Decision Point· If not, does Council want to consider a goal of limiting growth to supporting only the economic development needs of the community?

- o Process:
  1. define community/regional economic development needs
  2. define airport expansion required for needs
  3. reevaluate master plan proposal
  4. renegotiate airline leases
- o Time. Approximately 12-18 months for economic projections and planning study utilizing 2005 planning information· 6-12 months for airline negotiations.

Recommendation. Reaffirm the original goal while adding the statement "and developing processes to ensure neighborhood and community awareness and involvement in the implementation of these expansions and recognize the need to accommodate growth while reconciling noise and land use issues."

July 2 Council Decision.

The Council supports the original goals set forth prior to the master planning process. Further, the Council supports the following additional goals for the airport master planning process·

A. That effective, progressive noise abatement be a City priority.

B. That developing appropriate land use for noise sensitive and noise impacted areas be a City priority.

C. That active involvement of Westside airport neighbors in the airport decision making process is desirable and should be sought.

D. That an annual report be made to City Council detailing community relations achievements and status of noise abatement and land use compatibility efforts.

Issue #2: A Process for Reviewing the Implementation of the Master Plan and Part 150 Program

Decision Point: Expand the charge of the Airport Advisory Committee to include

- o monitor and advise Council on implementation of Master Plan and Part 150 Program;
- o monitor and advise Council on a staff developed neighborhood relations program to provide information, education, and opportunities to discuss issues, and
- o evaluate the process to address noise issues and make recommendations to council.

Decision Point: Expand the size of the Airport Advisory

Committee to twelve members:

4 representing four specific neighborhoods,
1 from the Charlotte Chamber,
1 from the airline,
1 from a concessionaire,
1 from an airport related industry,
1 Planning Committee member,
1 at-large citizen,
1 fixed-base operator and
1 air cargo user.

Decision Point: Add a senior planner to the Planning staff to be funded by the Airport Fund through departmental charges whose responsibility would be to deal with issues that relate to the airport's impact on land use on the west side. This person and the Airport staff person would be staff to the Airport Advisory Committee.

Recommendation:

1. Based on Council recommendation that the Airport Advisory Committee stay at its current size and that they be given the authority by Council to appoint subcommittees of citizens that report to the Airport Advisory Committee on specific issues and concerns.
2. That the charge be expanded to include:
   - o monitor and advise Council on implementation of Master Plan and Part 150 Program;
   - o monitor and advise Council on a staff developed neighborhood

relations program to provide information, education, and opportunities to discuss issues, and;

- o evaluate the process to address noise issues and make recommendations to Council.

3. That a senior planner be added to the Planning staff and assigned to the airport to look at the airport's impact on land use and to be funded through departmental charges by the airport.

4. That the City Council make use of the tools available to them, including executive sessions and the number of vacancies currently on the committee to make appointments so that the committee's overall makeup will represent competing interests and understanding of the Council intent for airport development through their approved actions through the master plan.

<u>July 2 Council Decision:</u>

The Council expands the charge of the Airport Advisory Committee to read as follows·

1. Monitor and advise Council on implementation of Master Plan and Part 150 program and actively seek state of the art improvements to the Charlotte noise abatement program.

2. Monitor and advise Council on a staff developed neighborhood relations program to provide information, education, opportu-

nities to discuss issues and opportunities to address and correct problems.

3. Evaluate the process to address noise issues and make recommendations to Council regarding the betterment of the overall noise environment.

Further, the Council directs the following actions·

The Airport Advisory Committee be expanded from seven to nine members, with two members representing Westside community interests, two members representing aviation interests, and five members with community-wide interests. The majority of all members will be residents of Charlotte.

The City Council will make use of the tools available to them, including executive sessions and the number of vacancies currently on the committee, to make appointments so that the committee's overall makeup will represent competing interests and understanding of the Council intent for airport development through their approved actions through the Master plan.

Specific issues, e.g., impact on schools, land use and impact of airport expansion on land use, transportation and urban design, will be addressed by an Airport Technical Committee, which would evaluate alternatives and report to the Airport Advisory Committee for recommended actions to City Council. This committee would be made up of representatives from Airport, Planning, Transportation, County, School Board, FAA, and Airlines and appointed by the City Manager

A senior planner be added to Planning Staff and assigned to the Airport to look at the airport's impact on land use and advise the Airport Advisory Committee on land use issues. This position would be funded through departmental charges by the airport.

Issue #3· Wilkinson Boulevard Intersection with Entrance Road

Decision Point: Should there be a major entry point to the airport from Wilkinson Boulevard?

Recommendation:

1. That the Transportation Technical Coordinating Committee should develop a concept for the airport entry road's intersection with Wilkinson Boulevard with the pros, cons, and cost of such a concept.
2. That City Council would consider and decide whether to recommend to the MPO for approval an amendment to the Thoroughfare Plan, and that such a recommendation should be received by January 1, 1988.

July 2 Council Decision

The City Council supports the staff recommendations outlined above.

Issue #4· Airport Urban Design Considerations

Decision Point: Is there a need to develop a landscaping program for all the airport's edges which will buffer adjacent land uses and improve the image of the airport?

Decision Point· If so, who should develop the program and monitor the implementation of the program?

Decision Point· If so, should landscaping include features such as berms, buffers and barriers to reduce ground noise?

Decision Point: If so, should the plan include increased maintenance of edge areas, including ground maintenance and litter pickup at a higher level than current?

Decision Point: If so, should the plan include the development of airport properties for such activities as observation parks, golf course, picnic parks, etc?

Recommendation: That the Airport staff and, if approved, Airport Planner from the Planning staff be given the charge to develop a process for involving citizen review and comment on proposed landscaping, park, and maintenance plans. That this be reviewed and a recommendation made by the Airport Advisory Committee and that Council take final action on such plans. Plans should be developed during FY88.

July 2 Council Decision

The Council supports the following statements with regard to airport urban design considerations.

The Airport staff and the Airport Planner from the Planning staff is charged with the responsibility to develop a landscaping and maintenance program for all airport edges which will buffer adjacent land uses and improve the image of the Airport, urban design features of the airport terminal and adjacent parking areas and the Airport gateway image. This program will involve a process for citizen review and comment on proposed landscaping, park, berms, buffers, and barriers to reduce ground noise and will be reviewed by the Airport Advisory Committee for recommendations to Council during FY88.

Issue #5· Airport Noise Monitoring Program

Decision Point. What type of noise monitoring program does Council want to implement?

1. Systematic monitoring by noise consultants.
2. Airport purchase portable units to respond to complaints, to verify noise contours and to establish ongoing measurements at West Mecklenburg High School or other schools as required.
3. Combination of (1) and (2).
4. Install a permanent monitoring system.

Recommendation: The Airport should purchase portable noise monitoring equipment which would be used in a frequent and random manner to verify noise levels and to respond to individual complaints and would be used to provide an ongoing reading of noise at West Mecklenburg High School initially and other sites as recommended in the future. Systematic semi-annual noise monitoring by noise experts should also be implemented to evaluate total noise contours to check their validity. This program should be reviewed periodically by the Airport Advisory Committee for evaluation and recommendation to Council. (#3 above)

<u>July 2 Council Decision</u>

The Council supports the staff recommendation outlined above.

Issue #6: Noise Abatement Program

Decision Point: Does Council support the consultants' recommendations for noise abatement which include:

- Extend 36R by 1000 feet to the South.
  Issue: Impact on Whipporwill Hills subdivision to South, however provides significant benefit to residential areas north of 36R.
- Use of SW turn of 10,000 ft. Runway
  Issue: Impact on Garrison Road area, Southwest, however, provides significant benefit to residential properties south and schools to the south.
- Encourage greater user of Stage III aircraft by economic and operational incentives.
  Issue: Impact on institutions and residents at night, however, provides significant incentives for airlines to increase percentage of Stage III aircraft.

Recommendation: That the Airport Manager pursue implementation of the consultants' recommendations and, in addition, that a goal be established that the Airlines operating at Charlotte be encouraged to achieve the national percentage of Stage III operations by 1992. If goal is achieved by 1992, Council may allow flexibility in present abatement procedures such as Sunday morning landing privileges for Stage III aircraft and later landings at night for Stage III aircraft.

July 2 Council Decision

The Council supports the staff recommendation outlined above without taking a position on the use of the southwest turn from the 10,000 foot runway. It is with the understanding that implementation of the southwest turn from the 10,000 foot runway and extension of Runway 36R by 1,000 feet to the South will require extensive environmental evaluation with public hearings prior to a decision to implement these actions.

Issue #7: Land Use Management

Decision Point: Does Council support the consultants' recommendations for land use management in order to manage growth in areas impacted by Airport noise?

A summary of the emphasis of the consultants' recommendations with projected cost is listed below:

75Ldn+	Emphasize acquisition 64 SF and 8 MF dwelling units Projected Cost: $3,600,000
70 - 75 Ldn	Emphasize corrective measures i.e., sound insulation, purchase assurance, avigation easements 233 SF and 184 MF dwelling units Projected Cost· $6,000,000
65 - 70 Ldn	Does not provide cost for soundproofing Emphasize preventive measures Land Use Planning, zoning,

financial options for soundproofing these properties. The Council also desires accelerating the 10 year soundproofing program schedule to 6 years, if possible.

The Council supports planning of the total airport area.

Issue #8: Airport Master Plan

Decision Point: Does Council support approval of the Airport Master Plan Update as a general guideline to future development of the Airport? Approval of the plan does not approve funds or initiate projects, etc.

A list of projects by time frame follows:

1987 - 1990

Extend Runway 18L/36R by 1000 feet to the South

Taxiway improvements
Construction of an International Facility with 2 boarding gates
Extension of Concourse B
Reconfiguration of terminal loop roadway
Expansion of FBO and Air Cargo Facilities
Acquisition of 323 acres of land

1991 - 1995

Additional taxiway improvements
Extension of Concourse A
Additional automobile parking, FBO and Air Cargo Facilities
Acquisition of 276 acres of land

1996 - 2005

Construction of a new 8000 foot north/south runway
Additional extension of Concourse A and D
Additional automobile parking, FBO and Air Cargo Facilities

Decision Point: If not, does Council wish to modify some or all of the Master Plan recommendations?

- o Land Acquisition - Property owners are concerned property will be unsaleable until the Airport decides to buy it.
- o Construction of Fourth Runway - Neighbors are concerned that 4th Runway will have significant impact on westside land use.

Recommendation: That Council approve the Airport Master Plan as general guidelines for future development of the Airport.

- o That Council support a policy for the expenditure of airport funds but is based on the following priorities subject to the availability of funding and the need of property for phvsical development at the Airport·
  1. Residental property located above 75 Ldn
  2. Property owners are willing to negotiate based on "fair market value" established in accordance with City and FAA requirements. (Present policy is that 2 appraisals are made by a MAIB appraiser selected from the city's list. A third appraiser is retained to make

programming public
improvements, etc.

It should be noted that the recommended corrective measures are programmed based on availability of Federal funds at the rate of $1 Million annually.

Recommendations: That Council support the consultant and Planning Committee's policy recommendation as follows:

A. Ldn 65-70 Noise Zone

Policy: Noise exposure in this zone is a negative factor for residential development as stated in the Airport Master Plan. However, this noise zone affects an enormous amount of land, much of which is already developed residentially. Therefore, residential development should be allowed in this area at lower densities using noise attenuation measures in the construction of new homes. Soundproofing existing homes should be considered in this zone.

1. Land Use Planning
2. Zoning for Compatible Development
3. Zoning Performance Standards
4. Dedication of Avigational Easements
5. Farm Land Preservation
6. Programming Public Improvements
7. Public Information Program
8. Soundproof Public Buildings

B. Ldn 70-75 Noise Zone

Policy: The Land Use Policy for this zone should be to encourage

compatible new development while reducing existing non-compatible land uses. Measures other than land use controls will be necessary to modify existing development in this noise zone.

1. Purchase Assurance Program
2. Soundproof Private Residences
3. Purchase Avigational Easements
4. Acquire Developed Property

C. Ldn 75+ Zone

Policy: The Land Use Policy in this noise zone is to ensure compatible land uses such as commercial, industrial or open space.

Non-compatible properties should be acquired for airport use and control. Land use measures applicable to this noise zone are listed below.

1. Airport Acquisition
2. Compatible Zoning

Implementation of the land management program will begin after the approval of the Part 150 study by the FAA. This is anticipated to take up to a year. Implementation will then depend on the level of funding available. When FAA approval has been received, a priority ranking will be set for implementation. Land use recommendations will be implemented through the Dixie/Berryhill plan, a re-working of the Steele Creek plan and through the Southwest District plan to be initiated during FY/88.

July 2 Council Decision:

The Council supports the recommendations outlined above. Further, the Council wishes to pursue soundproofing of residential properties in the 65 - 70 Ldn and directs staff, through the Airport Technical Committee and Advisory Committee process, to come back with

a recommendation on price and then a sale is negotiated.)

3. Meets staging requirements within the appropriate 5 year period
4. Property in the 70-75 Ldn
5. Property in the 65-70 Ldn

- That the Airport Advisory Committee make recommendations to Council on the timing for construction of 4th Runway and at that time an extensive evaluation be conducted to evaluate the need, involve citizens and meet environmental requirements.

July 2 Council Decision.

The Council supports the staff recommendations. The Council wishes to emphasize that no decision on the 4th Runway is being made at this time and that the Airport Advisory Committee is to make recommendations on the timing of the construction and that extensive evaluation and citizen involvement will be part of the decision making process.

STATUS/SCHEDULE OF SOUTHWEST DISTRICT PLAN

The Southwest District Plan began with the convening of a Study Group in November 1988 to assist the staff in development of the District Plan. The group was appointed by the Planning Committee and included 15 people. The Study Group met for a period of a year.

Presently, staff is in the final stage of drafting the plan which will include the diversity of opinions expressed by the Study Group and Airport Advisory Committee. The schedule is as follows:

REVIEW	PROJECTED DATE
Planning Staff & Department Head	June
Study Group	June
Community Meeting	July
Study Group	July
Airport Advisory Committee	August
Planning Committee	September
Elected Officials	October

NOTE: This schedule would allow a third Study Group meeting if necessary

AVIATION

I POLICY ASSUMPTION

1 To use the Airport Master Plan Update as the guide for future capital project development

II FINANCING ASSUMPTIONS

1 To continue scheduling capital project revenue bond financing primarily from landing fees and lease arrangements with the air carriers and other vendors

2 To plan for continuation of Airport Improvement Program, State Aviation and N C Air National Guard Grants to be available for airfield improvements

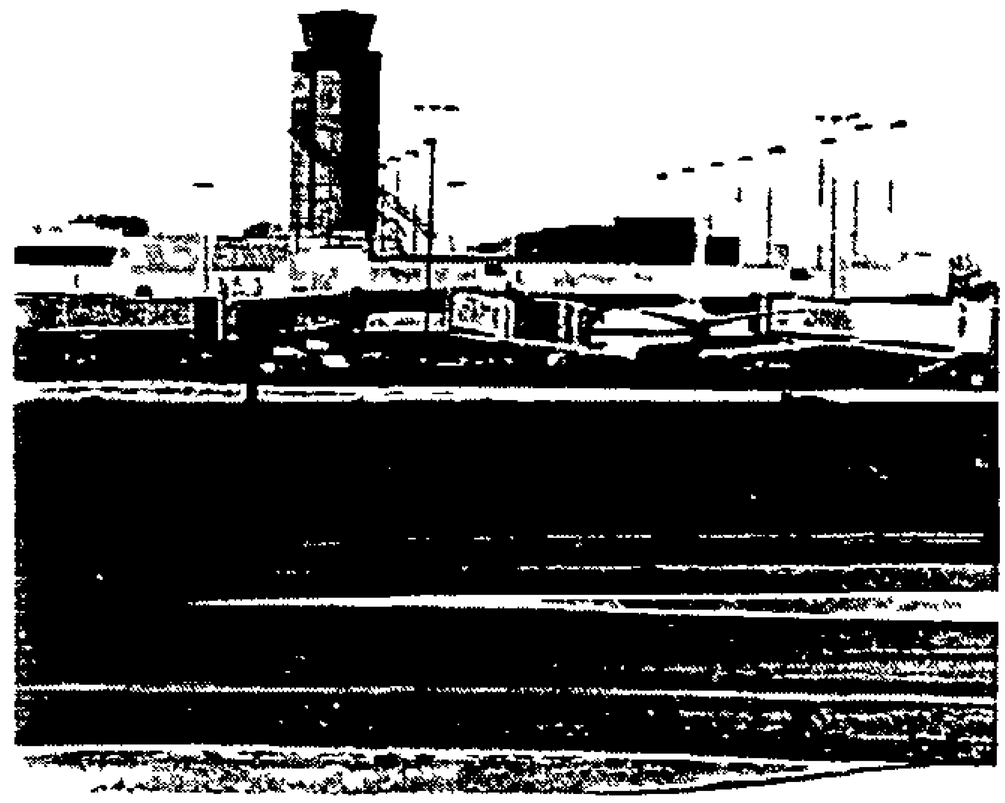
Category AVIATION

Project Terminal Building Remodeling

This project provides for the renovation of the wall and floor finishes in the public areas of the terminal facility

The need for this project is based on the present terminal building's accommodating many more passengers since its opening than originally intended. This increase in traffic has exacted a significant impact on the overall appearance of the facility Terminal passenger traffic is expected to increase significantly as the airport grows

The project will be funded from Revenue Bond Funds and debt serviced by rental fees and concession revenues.



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Construction		4,000,000				4,000,000
Total		4,000,000				4,000,000
Revenues						
Revenue Bonds TBA		4,000,000				4,000,000
Total		4,000,000				4,000,000

Annual Operating Impact There should be no impact on operating costs

Category AVIATION

Project Airfield Improvements

This project provides for various airfield facilities which are eligible for federal grant funding coordinated with the Federal Aviation Administration, the Airline Technical Committee, and Airport Management

The need for this project is based upon the increased traffic demand and continued safety requirements expected in the future Potential projects could include paved runway shoulders, future taxiways, strengthened and grooved runways, improved lighting facilities and other required facilities as established by the Airport Master Plan Update

The project will be funded by AIP grants and Revenue Bond Funds and debt serviced by landing fees

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	400,000	400,000	400,000	400,000	400,000	2,000,000
Construction	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	40,000,000
Total	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	42,000,000
Revenues						
Revenue Bonds TBA	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	8,500,000
FAA Grant	6,300,000	6,300,000	6,300,000	6,300,000	6,300,000	31,500,000
State Aviation Grant	400,000	400,000	400,000	400,000	400,000	2,000,000
Total	8,400,000	8,400,000	8,400,000	8,400,000	8,400,000	42,000,000

Annual Operating Impact Annual maintenance costs are estimated at $20,000 (1990 dollars)

Category AVIATION

Project Master Plan Land Acquisition

This project provides for the acquisition of land adjacent to the existing boundaries of the airport for future development

The need for this project is based upon the necessity to meet the continued growth and development of the airport as called for in the Airport Master Plan Update

This project will be funded by Revenue Bonds and AIP grants and debt serviced by Airport Service Fees

Notes

Fund: 2077
Account # 562 12
Appropriations to Date $7,919,632
Project Balance $2,000,000

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Land Acquisition	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
Total	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
Revenues						
Revenue Bonds TBA	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
Total	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000

Annual Operating Impact Annual maintenance costs for mowing and clearing are estimated at $50,000 (1990 dollars)

Category AVIATION

Project Airport Art Program

This project provides for an on-going program to provide art at the Airport

The need for this project is based on enhancement of the visual quality of the terminal building, cultural enrichment and education The Council adopted Art Resolution applies to City-owned facilities, including the Airport A survey of several national airports indicated that public art is being addressed by several methods In order to maintain good relations with air carriers, airport operating contributions to an airport capital project account is in the City s best interest The survey of other national airports indicated that air carriers are resistant to funding art through their lease arrangements

The project meets the need by funding an art program at the Airport The Art Commission will be responsible for implementing the Airport Art Program, and working with Airport management and the air carriers in bringing about a successful program

Notes

Fund 2073
Account # 562 27
Appropriations to Date $50,000
Project Balance $50,000

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Acquisition	50,000		50,000		50,000	150,000
Total	50,000		50,000		50,000	150,000
Revenues						
Airport Operating Fund Balance	50,000		50,000		50,000	150,000
Total	50,000		50,000		50,000	150,000

Annual Operating Impact *Annual operating costs will be $5,000 (1990 dollars)*

Category

AVIATION

Project

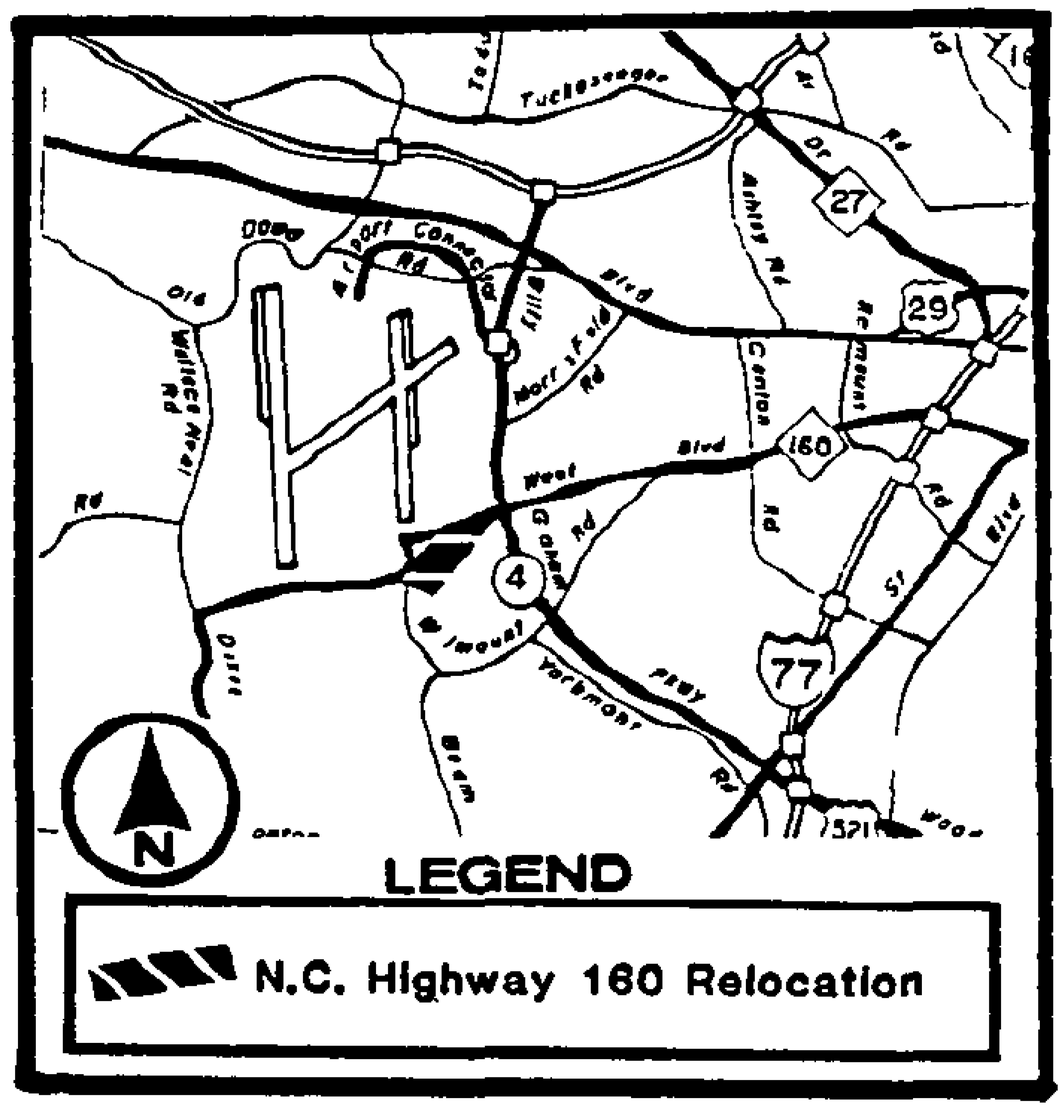
N C 160 Relocation

This project would construct a four-lane road in a new location between Wilmont Road and Airport Drive and would provide an extension of Terminal Drive from West Boulevard to Bynum Drive

This project is needed in order to accommodate the 1,000''extension of Runway 36R as recommended in the Airport Master Plan This project would maintain access to the City's air cargo development at the site of the old passenger terminal. The project is also needed to provide a better transportation system for the westside

The State Transportation Improvement Program includes funding for the relocation of N C. 160 in 1996 It is anticipated that a municipal agreement will be worked out with the State whereby the Airport will be reimbursed for constructing the project sooner than planned.

City Council approved this project on March 12, 1990



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	200,000					200,000
Acquisition	300,000					300,000
Construction		2,726,000				2,726,000
Total	500,000	2,726,000				3,226,000
Revenues						
Airport Operating Fund Balance	500,000					500,000
State Grants		2,726,000				2,726,000
Total	500,000	2,726,000				3,226,000

Annual Operating Impact

Category AVIATION

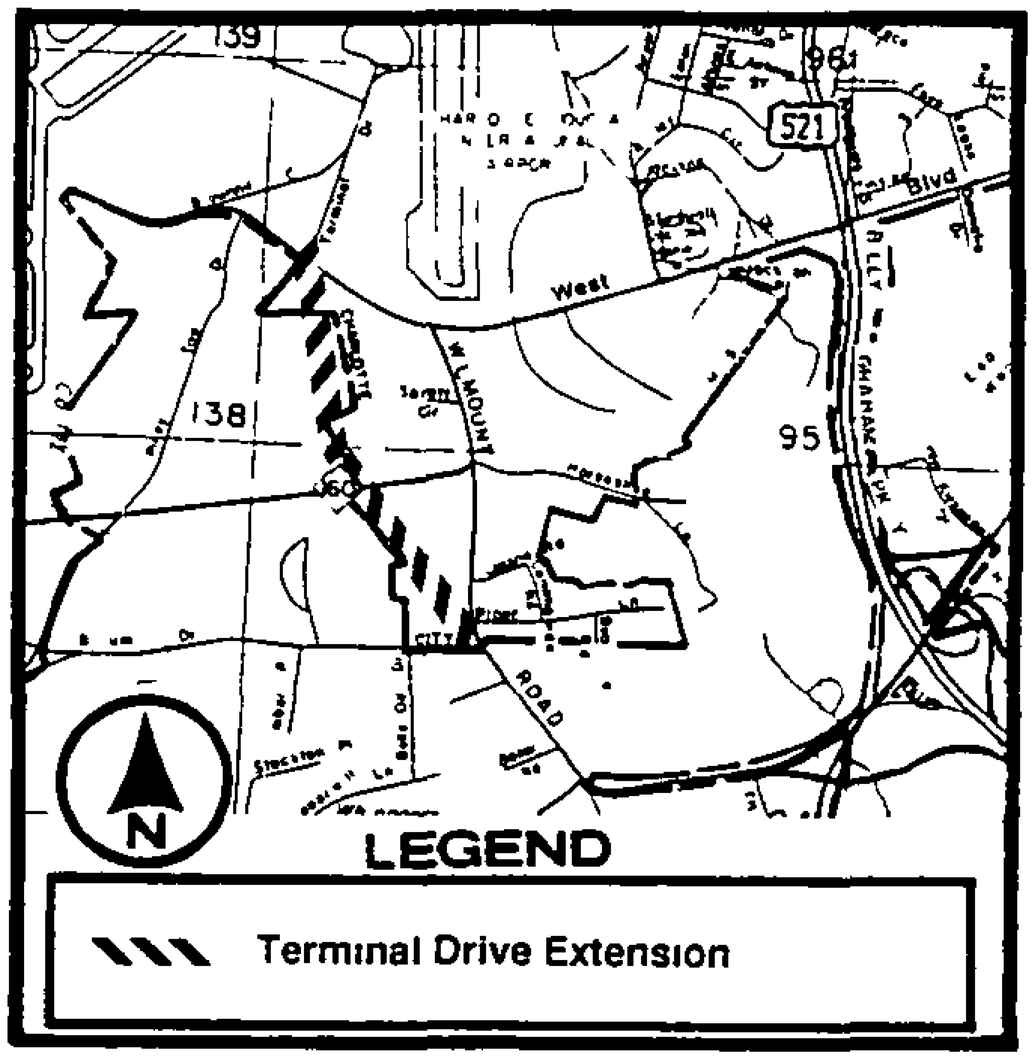
Project Terminal Drive Extension

This project provides for the extension of Terminal Drive from West Boulevard to Byrum Drive

The need for this project is due to the 1,000 foot extension of Runway 36R proposed in the Airport Master Plan This runway extension would cause West Boulevard to be cut off from the old terminal area, which is now extensively utilized by air cargo operators This project would maintain access to the City's air cargo development at the site of the old passenger terminal

This project will be funded from the Airport Operating Budget Fund Balance

City Council approved this project on March 12, 1990



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	170,000					170,000
Acquisition	800,000					800,000
Construction		1,530,000				1,530,000
Total	970,000	1,530,000				2,500,000
Revenues						
Airport Operating Fund Balance	727,500	1,147,500				1,875,000
FAA Grant	121,250	191,250				312,500
State Aviation Grant	121,250	191,250				312,500
Total	970,000,	1,530,000				2,500,000

Annual Operating Impact

Category AVIATION

Project Land Use Compatibility Program

This project provides for implementation of land acquisition, sound insulation and purchase assurance programs as approved by City Council in adoption of the Airport Master Plan Update in August, 1987

The need for this project was identified as part of the long range planning efforts in order to bring about the best possible compatibility between the airport's operation and surrounding neighborhoods

Upon approval, this project will become eligible for 80/ federal funding The City's share would be funded by Revenue Bonds with the debt service paid by Airport Service Fees

Notes

Fund 2073
Account #· 562 28
Appropriations to Date $7,400,000
Project Balance $6,900,000

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Land Acquisition	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
Revenues						
Revenue Bonds TBA	600,000	600,000	600,000	600,000	600,000	3,000,000
FAA Grant	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	12,000,000
Total	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000

Annual Operating Impact The Operating Budget impact is estimated at $150,000 annually
(1990 dollars)

Category AVIATION

Project Extend Runway 36R/18L

This project provides for extension of Runway 36R/18L 1,000 feet to the South

The need for this project is based on recommendations in the Airport Master Plan Update The extension of Runway 36R/18L would increase airport capacity in Visual Flight Rules (i e , clear weather conditions) and would permit continued use of Runway 5 for departures, thereby preventing a significant shift in noise to areas north of the project

Funding will be provided by FAA grants and Revenue Bond funds

City Council approved this project on March 12, 1990

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	715,300					715,300
Construction		6,437,700	2,484,000			8,921,000
Total	715,300	6,437,000	2,484,000			9,636,300
Revenues						
Revenue Bonds TBA	715,300	1,609,250	621,000			2,945,550
FAA Grant		4,827,750	1,863,000			6,690,750
Total	715,300	6,437,000	2,484,000			9,636,300

Annual Operating Impact Maintenance and utility costs are estimated at $40,000 per year
(1990 dollars)

Category AVIATION

Project Employee Parking Expansion

This project provides for additional parking for employees

The need for this project is based on the increased demand for 2,500 additional employee parking spaces. There are presently 6,000 airport employees The Airport Master Plan Update recognized a future need for additional employee parking.

The project will be funded from Revenue Bond Funds and debt serviced by employee parking fees

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	200,000					200,000
Construction	2,000,000					2,000,000
Total	2,200,000					2,200,000
Revenues						
Revenue Bonds TBA	2,200,000					2,200,000
Total	2,200,000					2,200,000

Annual Operating Impact (1990 dollars) Maintenance and utility costs are estimated at $30,000 per year

Category AIRPORT

Project Joint-Use Cargo Facility

This project provides for the construction of a 26,000 square foot cargo facility in the cargo area

The need for this project is based on the increased demand for building space within the cargo area The facility will be located adjacent to Runway 36R

This project will be funded with Special Facility Revenue Bonds and debt serviced by rental fees

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	81,000					81,000
Construction	1,539,000					1,539,000
Total	1,620,000					1,620,000
Revenues						
Revenue Bonds TBA	1,620,000					1,620,000
Total	1,620,000					1,620,000

Annual Operating Impact Additional personnel or contractual costs estimated at $10,000 will be incurred to maintain this facility annually (1990 dollars)

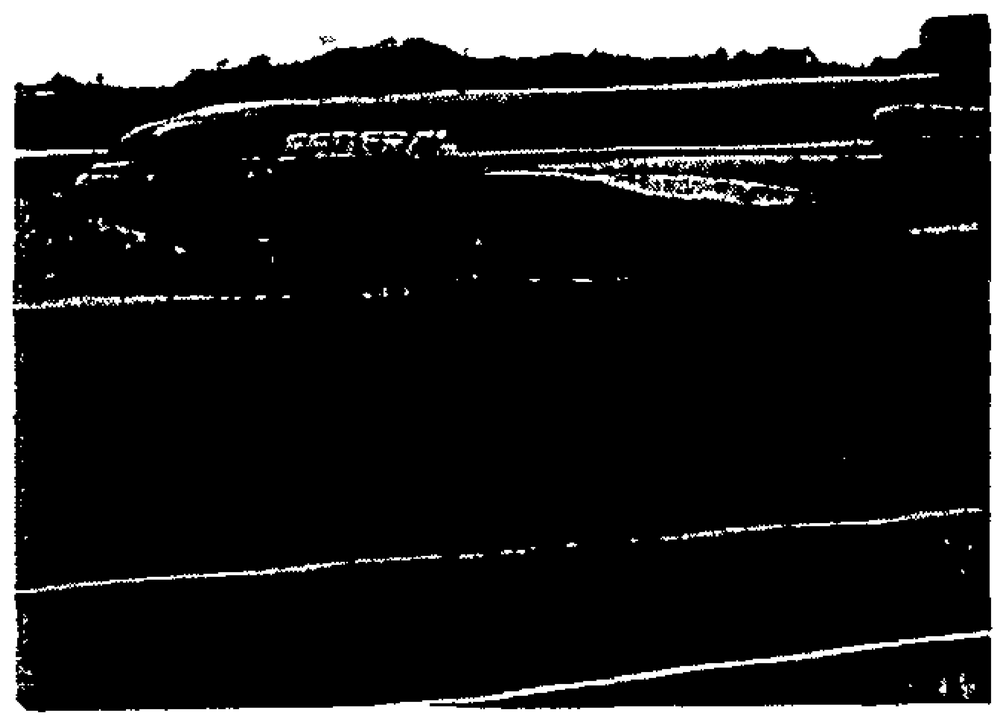
Category AVIATION

Project Federal Express Cargo Facility Construction

This project provides for the construction of a 20,000 square foot addition to the existing Federal Express cargo facility

The need for this project is based on the increased demand in the cargo area for additional facilities This represents a growing commitment of Federal Express to the Charlotte/Douglas International Airport

This project will be funded with Special Facility Revenue Bonds with the debt service paid by rental fees



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	200,000					200,000
Construction	1,800,000					1,800,000
Total	2,000,000					2,000,000
Revenues						
Revenue Bonds TBA	2,000,000					2,000,000
Total	2,000,000					2,000,000

Annual Operating Impact Annual maintenance costs are estimated at $50,000 (1990 dollars)

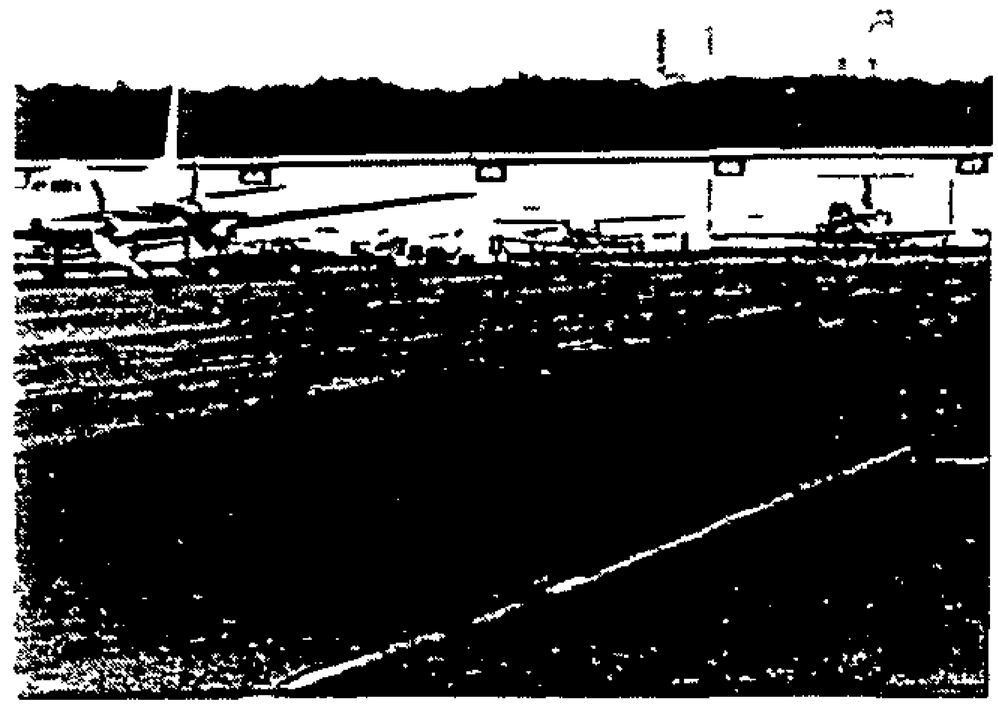
Category AVIATION

Project General Aviation Facilities Construction

This project provides for the construction of additional facilities in the Fixed Base Operator area and includes additional aircraft storage facilities

The need for this project is based on the necessity to meet the increased demand by general aviation for additional facilities in the Fixed Base Operator area It is anticipated that smaller aircraft will continue to use Charlotte/Douglas International Airport because of the various services available

This project will be funded by Special Facility Revenue Bonds and debt serviced by rental fees This project will provide more storage space for private aircraft



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	585,000					585,000
Construction		2,340,000				2,340,000
Total	585,000	2,340,000				2,925,000
Revenues						
Revenue Bonds TBA	585,000	2,340,000				2,925,000
Total	585,000	2,340,000				2,925,000

Annual Operating Impact Annual additional personnel or contractual costs estimated at $10,000 will be incurred to maintain this facility (1990 dollars)

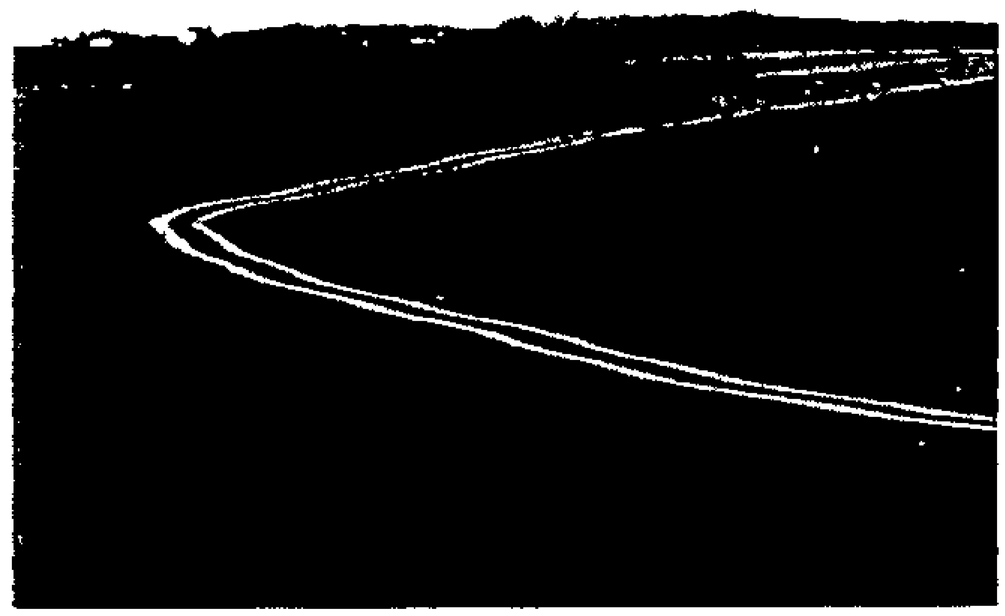
Category AVIATION

Project Taxiway "D" Construction Phase 2

This project provides for the construction of Taxiway "D" from the existing Taxiway "D" to the north and south ends of Runway 36R/18L

The need for this project is based on the increased demand on the taxiway system for improved accessibility, greater capacity, improved traffic flow and better safety

The project will be funded from North Carolina Air National Guard grants



Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	292,500					292,500
Construction	2,632,500					2,632,500
Total	2,925,000					2,925,000
Revenues						
N C Air National Guard	2,925,000					2,925,000
Total	2,925,000					2,925,000

Annual Operating Impact Annual maintenance costs will be $5,000 (1990 dollars)

Category AIRPORT

Project Additional Long Term Parking

This project provides for the construction of an additional long term parking facility containing approximately 2,500 parking spaces

The need for this project is based upon the increasing use of the airport facility Since the opening of the new terminal in 1982, the facility has experienced dynamic growth in terms of passenger activity, number of carriers, flight activity, and other related areas The current facility is already accommodating activity levels projected for the 1990s Construction of additional parking facilities will be needed to meet future growth levels as anticipated by the Airport Master Plan Update

Additional parking fees received will fund the debt service associated with the project

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design					351,000	351,000
Construction					3,510,000	3,510,000
Total					3,861,000	3,861,000
Revenues						
Revenue Bonds TBA					3,861,000	3,861,000
Total					3,861,000	3,861,000

Annual Operating Impact Maintenance and utility costs are estimated at $30,000 per year
(1990 dollars)

Category AVIATION

Project 8,000 Foot Parallel Runway

This project provides for the construction of a new 8,000 foot parallel runway west of the existing 10,000 foot runway The AIRPORT MASTER PLAN UPDATE recognized a need for additional airfield capacity in the later stages of the plan When forecasts exceed 75/ of airfield capacity, FAA recommends planning for additional capacity

The addition of this runway will provide a significant increase in airfield capacity Funding will be provided through Federal programs, with the City's share provided through Revenue Bonds and debt serviced by the airlines

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design		300,000		2,000,000	2,000,000	4,300,000
Construction					15,000,000	15,000,000
Total		300,000		2,000,000	17,000,000	19,300,000
Revenues						
FAA Grants		225,000		1,500,000	4,250,000	5,975,000
Revenue Bonds TBA		75,000		500,000	12,750,000	13,325,000
Total		300,000		2,000,000	17,000,000	19,300,000

Annual Operating Impact Upon completion annual maintenance costs will be $10,000 (1990 dollars)

Category AVIATION

Project Concourse Expansions

This project provides for the construction of additional air carrier gates

The AIRPORT MASTER PLAN UPDATE recognizes the need for future addition of air carrier gates As demand for air travel increases, the airlines will require additional gates to meet their needs The terminal concept utilized in the Master Planning work can accommodate up to the 60 gates There are presently 41 air carrier gates

This project will be funded through Revenue Bond and debt service paid by rental fees from the users

Notes

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design		4,000,000				4,000,000
Construction			40,000,000			40,000,000
Total		4,000,000	40,000,000			44,000,000
Revenues						
Revenue Bonds TBA		4,000,000	40,000,000			44,000,000
Total		4,000,000	40,000,000			44,000,000

Annual Operating Impact Annual operating costs are estimated to be $150,000 for utilities and maintenance (1990 dollars)

Category AVIATION

Project South Terminal Expansion

This project will expand the existing terminal building to the south and between the existing temporary connector serving Concourses B and C

The need for this project is based on balancing the use of the terminal and the airlines' need to provide direct access between Concourses B and C The size of the expansion will be approximately 170,000 square feet covering the ticketing, baggage, and the basement areas On the ticketing level, a permanent connector will be included between Concourse B and C

This project meets the need by featuring a food court, retail and office space, moving sidewalks, and a gallery for local art Also, an automated baggage sortation system will be installed in the expansion, which will reduce baggage delays This project was included in the FY88 CIP at a cost of $19,660,000 for 50,000 square feet of expansion Thus, this project has been revised and enlarged approximately three times

Notes

Fund No 2080
Account # 521 03
Appropriations to Date: $20,900,000
Project Balance· 16,400,000

Costs	1990-91	1991-92	1992-93	1993-94	1994-95	Total
Planning/Design	1,000,000					1,000,000
Construction	3,000,000	9,000,000	9,000,000	12,000,000	3,900,000	36,900,000
Total	4,000,000	9,000,000	9,000,000	12,000,000	3,900,000	37,900,000
Revenues						
Revenue Bonds TBA	4,000,000	9,000,000	9,000,000	12,000,000	3,900,000	37,900,000
Total	4,000,000	9,000,000	9,000,000	12,000,000	3,900,000	37,900,000

Annual Operating Impact Annual operating costs impact is estimated at $750,000 upon project completion (1990 dollars)