

Mayor Patsy Kinsey

John Autry
Michael D. Barnes
Warren Cooksey
Andy Dulin
Claire Fallon

Mayor Pro Tem Patrick D. Cannon

David L. Howard
Billy Maddalon
LaWana Mayfield
James Mitchell, Jr.
Beth Pickering

CITY COUNCIL MEETING
Monday, September 16, 2013
CH-14, Charlotte-Mecklenburg Government Center

CITY COUNCIL AGENDA
Monday, September 16, 2013

TABLE OF CONTENTS

<u>Item Number</u>		<u>Page Number</u>	<u>Attachment Number</u>
Briefing			
CH-14, Charlotte-Mecklenburg Government Center			
1.	CharMeck 311 Citizen Relationship Management System	1	
Business Meeting			
2.	City Manager's Report	2	
3.	Charlotte-Mecklenburg Housing Partnership Services Contract	2	1
4.	Cedar Fair Southwest, Inc. Business Investment Grant	4	
5.	Emergency Alert and Notification System	5	
6.	Airport Grant Acceptance	6	2
7.	Mayor and Council Topics	7	
8.	Closed Session	7	
8.5	Closed Session	7	
Reference			
	Charlotte Business INclusion	8	

BRIEFING

CH-14, Charlotte-Mecklenburg Government Center

1. CharMeck 311 Citizen Relationship Management System

Resource: Janice Quintana, City Manager's Office, CharMeck 311

Time: 20 minutes

Synopsis

- CharMeck 311, the consolidated call center for the City of Charlotte and Mecklenburg County, operates with an annual call volume of 1.7 million. Established in fiscal year 2006, the call center recently celebrated its eight year anniversary in July 2013.
- Although the call center was designed with a strong foundation and successful business model, it did not include a Citizen Relationship Management (CRM) system. Instead, CharMeck 311 uses Emerald, a "home-grown" legacy service request system. Implemented in 1999, the 14-year old system tracks and manages service requests submitted by citizens such as pothole repair, bulky item pick-up, and sidewalk obstruction. Limitations to Emerald include:
 - Design functionality that does not support the current operational demands of CharMeck 311; and
 - An obsolete platform, Oracle Forms, which has an uncertain future for support and maintenance.
- The purpose of the project is to replace Emerald with Lagan, a "state-of-the-art" hosted CRM system.
 - The Lagan CRM system was designed specifically for local government and has a positive reputation within the 311 industry.
 - Implementation of a new CRM system is critical to maintain CharMeck 311's high level of citizen service while positioning the organization to grow and respond to future operational challenges.
 - This solution will provide robust system capabilities to improve efficiencies, transition to next generation technology, and provide real time data.
- The estimated first year cost of implementing the new CRM system is \$4.4 million, to be funded by a combination of technology capital investments, Mecklenburg County, and the CharMeck 311 operating budget. No new resources are required.

Future Action

The presentation will outline limitations of the current Emerald system, the benefits of the new CRM system, the project budget, and next steps. At the September 23rd Council Business Meeting, the City Council will be asked to approve a contract with Lagan to implement the new CRM system.

BUSINESS MEETING

2. City Manager's Report

3. Charlotte-Mecklenburg Housing Partnership Services Contract



- Action:**
- A. Approve the Economic Development Committee recommendation to authorize the City Manager to execute a services contract with Charlotte-Mecklenburg Housing Partnership for up to \$330,000 in operating expenses for commercial real estate development services in the City's Business Corridor Revitalization Area for FY2014 and FY2015, and**
 - B. Adopt a budget ordinance for up to \$330,000.**

Committee Chair: James Mitchell

Staff Resource: Brad Richardson, Neighborhood & Business Services

Explanation

- The Charlotte-Mecklenburg Housing Partnership (CMHP) is a non-profit affordable housing developer and long-term financial partner with the City. Since 1988, CMHP has completed over 1,600 single-family and multi-family units.
- The Charlotte-Mecklenburg Development Corporation (CMDC) is a non-profit commercial development agency founded in 1997 as a public/private partnership between the City, Mecklenburg County, and the Charlotte Chamber.
 - CMDC has focused its efforts on the City's designated business corridors, and has developed CityWest Commons Shopping Center, Wilkinson Business Park, and Greenway Business Center.
 - CMDC's mission has been to revitalize distressed, inner-city corridors through the development of commercial projects that serve neighborhood residents and enhance business development in areas that would otherwise remain void of new activity.
 - CMDC's self-financing business model became unsustainable during the recent economic downturn, and it began operating in a deficit mode in 2012. In addition, CMDC's president retired effective July 1, 2013.
- Earlier this year, CMDC requested CMHP consider expanding its core activities to include commercial real estate development and replace it as the City's commercial redevelopment partner for the City's Business Corridor Revitalization Area.
- After conducting its due diligence, CMHP indicated its agreement to move forward in this new role, contingent upon the City providing operating support for 1.5 staff positions and related overhead expenses to offset the expected volatility and long-term perspective required for commercial real estate development in the business corridors.
- On June 18, 2013, the City received a request from CMHP for operating funds associated with its proposal to assume the duties of the CMDC.

- On June 28, 2013, the City Manager referred this request to the Economic Development Committee for review and recommendation.

Economic Development Committee Discussion

- On July 18 and August 15, 2013, the Economic Development Committee (Committee) met with officials from CMHP to discuss a potential framework for an operating agreement, and outline benefits of the partnership, which include:
 - CMHP has greater flexibility than the City on land purchases and subsequent disposition of assets post redevelopment; and,
 - CMHP has a demonstrated track record of attracting a variety of private and public financing sources to leverage City dollars.
- The Committee discussed the following performance measures that will be used to evaluate the success of CMHP's work:
 - Job creation in the business corridors,
 - Environmental remediation and brownfields management,
 - Engagement with residents and community-based organizations,
 - Increase in property tax base,
 - Number of completed projects, and
 - Instances of blight removal.
- The Committee also requested CMHP conduct potential partnership discussions with Mecklenburg County.
- The Committee made a motion to authorize the City Manager to execute a services contract with CMHP for up to \$330,000 in operating expenses for commercial real estate development services in the City's Business Corridor Revitalization Area for FY2014 and FY2015 (ending June 30, 2015).
- Potential funding beyond that time will be considered as part of the City Council's annual budget process, which would include a review of CMHP's performance outcomes.
- After discussion, the Committee voted unanimously (Mitchell, Cannon, Cooksey, and Mayfield; Howard was absent) to approve the motion.

Source of Funding

- As a source of funding for this agreement, staff recommended the City Council allocate unanticipated revenue from the public/private partnership agreement with the developer of the Metropolitan project at the corner of Kings Drive and Charlottetowne Avenue.
- The developer recently completed a land sale, triggering a clause in the agreement that allows the City to participate in sale proceeds if the terms of the sale met certain agreed-upon conditions.
- The City's share of the proceeds is \$337,901 and was received on September 3, 2013.
- The Committee approved this designated funding source as part of their original motion to approve to contract with CMHP.

Charlotte Business INclusion

No SBE goal was set for this contract because there are no SBE subcontracting opportunities (Part C: Section 2.4 of the SBO Policy).

Attachment 1

Map of the Business Corridor Revitalization Area
 CMHP PowerPoint Presentation to the Economic Development Committee
 Budget Ordinance

4. Cedar Fair Southwest, Inc. Business Investment Grant

Action: Approve the City's share of a Business Investment Grant to Cedar Fair Southwest Inc. in the total estimated amount of \$327,952 over three years (total City/County grant estimated at \$922,468).

Staff Resource: Brad Richardson, Neighborhood & Business Services

Explanation

- Cedar Fair Southwest Inc. (Cedar Fair) is a publicly traded operator of theme parks. Four of its 11 park locations, Knott's Berry Farm in California, Cedar Point and Kings Island in Ohio, and Canada's Wonderland in Toronto, attract more than three million visitors annually.
- Cedar Fair also owns Carowinds, which is located along the border between the City of Charlotte and York County, SC. Carowinds has an annual attendance of 1.9 million guests.
- Cedar Fair has been considering a significant capital investment at one of their smaller parks with a goal to increase annual attendance to 2.5 million within the next decade.
- On August 26, 2013, Cedar Fair announced its intention to construct a new roller coaster attraction and associated improvements including new ticketing booths and concessions at Carowinds, in part due to the availability of local incentives.
- Once complete, the new attraction is projected to increase Carowinds' attendance by 385,000 guests annually and create 20,000 new room nights in area hotels.
- Project details include the following:
 - Cedar Fair will invest \$43.5 million, including \$33 million within the City of Charlotte and the balance in York County, SC.
 - Cedar Fair will create 15 new full time jobs over three years with an average annual wage of \$43,000 (94% of the regional average salary) and 270 seasonal jobs at an hourly wage rate of \$8.10-\$8.25.
- Cedar Fair expects that half of its seasonable workforce will have North Carolina tax withholding status.

Business Investment Grant

- The project exceeds the capital investment criteria for a three-year business investment grant. While it falls short of the full-time job creation and wage threshold; it creates an additional 270 seasonal jobs.
- On June 18, 2013, the Board of County Commissioners indicated its intent to approve a Business Investment Grant to Cedar Fair in a closed session.
- On June 24, 2013, the City Council indicated its intent to approve a Business Investment Grant to Cedar Fair in a closed session.
- If approved, the following schedule is an estimate of the City and County share of the Investment Grant payments to Cedar Fair, representing 90% of net new property taxes paid by the company over the three year term:

Year	City	County	Totals
1	\$ 119,076	\$ 215,864	\$ 334,940
2	\$ 108,982	\$ 197,563	\$ 306,545
3	\$ 99,894	\$ 181,089	\$ 280,983
Total	\$ 327,952	\$ 594,516	\$ 922,468

- The general terms and condition of this grant include:
 - A portion of the grant must be repaid if the company moves this investment from Charlotte within three years of the end of the grant term.
 - Actual grant payments are based on the value of the investment as appraised by the Mecklenburg County Tax Office.
 - All property taxes due from the company must be paid before a grant payment is made.
- The Board of County Commissioners will consider approval of a Business Investment Grant to Cedar Fair on September 17, 2013.

Funding

Business Investment Grant Account

5. Emergency Alert and Notification System

- Action:**
- A. Approve a contract with Everbridge, in the amount up to \$725,000, to provide a hosted Emergency Alert and Notification System for the City and Mecklenburg County for a three-year term, and**
 - B. Authorize the City Manager to extend the contract for up to three, one-year additional terms as authorized by the contract.**

Staff Resource: Jeff Dulin, Fire

Explanation

- The Emergency Alert and Notification System will allow the City and Mecklenburg County to send mass notifications to citizens that include important information in the event of an emergency.
- The system will quickly alert the geographic area and provide citizen notification, with actionable information, for events such as, but not limited to, Hazardous Material situations where evacuations are required, lost or missing persons alerts, and water outages in a specific area.
- The current system was implemented in 2004, and only allows for messages to be relayed to landline telephones. Because of today's use of cellphones, mobile devices, and usage of social media, a new technology solution is needed.
- On January 23, 2013, the City posted a Request for Information to identify new technology available for sending out emergency alert messages.
- On May 29, 2013, a Request for Proposal was issued; six responses were received.
- A team comprised of City and County departments and agencies evaluated the proposals based on the criteria of efficient use of current technologies, citizen interface experience, and usage of social media.
- Everbridge was selected as providing the best available system.
- Currently the Everbridge system is used by the city of Boston, city of New Orleans, city of Tacoma, Ventura County, Morris County, and the state of Connecticut and provides the following functionalities:
 - Authorized users are able to send messages internally to employees and externally to citizens and businesses.
 - Messages are received via landline phones, mobile phones, text messages, email, and social media.

- Citizens can opt in or out of non-emergency messages through a self-registration portal. Emergency messages will be sent to all registered citizens and business regardless.
- As a service solution, Everbridge will host the software. The City will not install it, manage it, or buy hardware for the system – only connect to it.
- Contingent on City Council's approval, system implementation will begin within two weeks thereafter. At that time, the City will have full access of system capabilities for the following organizations:
 - Mecklenburg County Citizens Notification Organization,
 - City of Charlotte and Mecklenburg County employees, and
 - Mecklenburg County Health department.
- The remaining organizations (Pineville, Matthews, Mint Hill, Huntersville, Cornelius, Davidson, and Mutual Aid) will gradually be brought on to the system, which will be achieved within the first six months.
- Prior to bringing in additional municipalities, a user education and training process will be conducted.
- The estimated annual maintenance cost is \$49,000 per year.

Charlotte Business Inclusion

No SBE goal was set for this contract because there are no SBE subcontracting opportunities (Part C: Section 2.4 of the SBO Policy).

Funding

Homeland Security Grant

6. Airport Grant Acceptance

Action:

A. Adopt a resolution accepting a Federal Aviation Administration grant in the amount of \$11,357,060 for Airport projects related to the reconstruction of Runway 18C/36C, and

B. Adopt a budget ordinance appropriating \$11,357,060 in Federal Aviation Administration grant funds to the Aviation Capital Investment Plan Fund, and transfer funds from the 2011 Series 'C' General Airport Revenue Bonds to the Debt Service Fund.

Staff Resource: Jack Christine, Aviation

Explanation

- In August 2011, the Airport closed Runway 18C/36C for 70 days to complete a \$26 million rehabilitation of the concrete pavement.
- The project was funded with variable-rate General Airport Revenue Bonds (GARBS) in anticipation of future grant funding to cover 75% of the project cost.
- Each year the Federal Aviation Administration (FAA) provides Airport Improvement Program (AIP) entitlement grant funding based on the Airport's operations and boarded passengers. The total amount of AIP entitlement funding for the Airport this year was \$11,357,060.
 - The grant will fund 44% of the project costs for the rehabilitation of Runway 18C/36C.

- On August 27, 2012, the City Council adopted a resolution accepting an AIP entitlement grant in the amount of \$4,628,482 and a North Carolina Department of Transportation (NCDOT) grant in the amount of \$450,000 for the rehabilitation of Runway 18C/36C accounting for 18% of the eligible project cost.
- On June 10, 2013, City Council approved a resolution to accept a second grant from NCDOT in the amount of \$500,000 for the project.
- The AIP and NCDOT grants appropriated to the rehabilitation project will provide a combined total funding of 62% of project costs.
- Aviation anticipates receipt of the remaining available grant funds next year to cover the 75% project cost.
- Upon receiving the grant funds, the City will call \$11,357,060 in variable-rate GARBS, thereby reducing the bond debt for the project.

Funding

Aviation Capital Investment Plan

Attachment 2

Resolution

Budget Ordinance

7. Mayor and Council Topics

Council members may share information and raise topics for discussion

8. Closed Session

Action: Adopt a motion pursuant to NC General Statute 14-318.11(a)(4) to go into closed session to discuss matters relating to the location of an industry or business in the city of Charlotte, including potential economic development incentives that may be offered in negotiations.

8.5 Closed Session

Action: Adopt a motion pursuant to NC General Statute 14-318.11(a)(3) to go into closed session to consult with attorneys employed or retained by the City in order to preserve the attorney-client privilege and to consider and give instructions to the attorneys concerning the handling or settlement of the case of City of Charlotte v. The State of North Carolina and Charlotte Douglas International Airport Commission, 13-CVS-12678.

Reference



The Charlotte Business INCLUSION program seeks to promote diversity, inclusion, and local business opportunities in the City's contracting and procurement process for Minority, Women, and Small Business Enterprises (MWSBEs) headquartered in the Charlotte Combined Statistical Area. Participation of Minority, Women, or Small Business Enterprises (MBE, WBE, or SBE) is noted where applicable.

For a period of time during FY2014, projects appearing in the Council Agendas will incorporate Policy references for either the current Charlotte Business INCLUSION program or the Small Business Opportunity Program.

The applicable Charlotte Business INCLUSION program Policy or the Small Business Opportunity Program policy sections are referenced at the end of the Council Request for Council Action.

Disadvantaged Business Enterprise

Disadvantaged Business Enterprise is a federal program primarily used for Aviation and Transit.

Contractors and Consultants

All contractor and consultant selections follow the Council-approved process unless described otherwise. For the procurement of professional services and/or engineering, architectural, and surveying services, the North Carolina General Statutes 143-64.31 requires that units of government "select firms qualified to provide such services on the basis of demonstrated competence and qualification...without regard to fee other than unit price information, and therefore to negotiate a contract for those services at a fair and reasonable fee with the best qualified firm."

The following excerpts from the City's SBO Policy are intended to provide further explanation for those agenda items which reference the SBO Policy in the business meeting agenda.

Part A: Administration & Enforcement

Appendix Section 18: Contract: For the purposes of establishing an SBE subcontracting goal on a Contract, the following are examples of contract types:

- Any agreement through which the City procures services from a Business Enterprise, other than Exempt Contracts.
- Contracts include agreements and purchase orders for (a) construction, re-construction, alteration and remodeling; (b) architectural work, engineering, testing, construction management and other professional services related to construction; and (c) services of any nature (including but not limited to general consulting and technology-related services).
- Contracts do not include agreements or purchase orders for the purchase or lease of apparatus, supplies, goods or equipment.
- The term "Contract" shall also include Exempt Contracts for which an SBE Goal has been set.
- Financial Partner Agreements, Development Agreements, and Construction Manager-at-Risk Agreements shall also be deemed "Contracts," but shall be subject to the provisions referenced in the respective Parts of the SBO Program Policy.

Appendix Section 23: Exempt Contracts: Contracts that fall within one or more of the following categories shall be "Exempt Contracts" for the purposes of establishing an SBE subcontracting goal, unless the Department responsible for procuring the Contract decides otherwise:

23.1. Informal Contracts. Informal Contracts shall be Exempt Contracts. (See Appendix Section 29 for a definition of Informal Contracts)

23.2. No Competitive Process Contracts: Contracts or purchase orders that are entered into without a competitive process, or entered into based on a competitive process administered by an entity other than the City shall be Exempt Contracts, including but not limited to contracts that are entered into by sole sourcing, piggybacking, buying off the North Carolina State contract, buying from a competitive bidding group purchasing program as allowed under G.S. 143-129(e)(3), or using the emergency procurement procedures established by the North Carolina General Statutes.

23.3. Managed Competition Contracts: Managed competition contracts pursuant to which a City Department or division competes with Business Enterprises to perform a City function shall be Exempt Contracts.

23.4. Real Estate Leasing and Acquisition Contracts: Contracts for the acquisition or lease of real estate shall be Exempt Contracts.

23.5. Federal Contracts Subject to DBE Requirements: Contracts that are subject to the U.S. Department of Transportation Disadvantaged Business Enterprise

Program as set forth in 49 CFR Part 26 or any successor legislation shall be Exempt Contracts.

23.6. State Contracts Subject to MWBE Requirements: Contracts for which a minority and women business participation goal is set pursuant to G.S. 143-128.2(a) due to a building project receiving funding from the State of North Carolina shall be Exempt Contracts.

23.7. Financial Partner Agreements with DBE or MWBE Requirements: Contracts that are subject to a disadvantaged business development program or minority and women business development program maintained by a Financial Partner shall be Exempt Contracts.

23.8. Interlocal Agreements: Contracts with other units of federal, state or local government shall be Exempt Contracts.

23.9. Contracts for Legal Services: Contracts for legal services shall be Exempt Contracts, unless otherwise indicated by the City Attorney.

23.10. Contracts with Waivers: Contracts for which the SBO Program Manager or the City Manager waives the SBO Program requirements shall be Exempt Contracts (such as when there are no SBE subcontracting opportunities on a Contract).

23.11. Special Exemptions: Contracts where the Department and the Program Manager agree that the Department had no discretion to hire an SBE (e.g., emergency contracts or contracts for banking or insurance services) shall be Exempt Contracts.

Appendix Section 29: Informal Contracts: Contracts and purchase orders through which the City procures services from a Business Enterprise that fall within one of the following two categories:

29.1. Construction Contracts Less Than or Equal To \$200,000: Contracts for construction or repair work that are estimated to require a total expenditure of City funds less than or equal to \$200,000.

29.2. Service Contracts That Are Less Than or Equal To \$100,000: Service Contracts that are estimated to require a total expenditure of City funds less than or equal to \$100,000.

Part B: Formal Construction Bidding

Part B: Section 2.1: When the City Solicitation Documents for a Construction Contract contain an SBE Goal, each Bidder must either: (a) meet the SBE Goal, or (b) comply with the Good Faith Negotiation and Good Faith Efforts requirements. Failure to do so constitutes grounds for rejection of the Bid. The City Solicitation Documents will contain certain forms that Bidders must complete to document having met these requirements.

Part B: Section 2.4: No SBE Goal When There Are No SBE Subcontracting Opportunities. The City shall not establish an SBE Goal for Construction Contracts where there are no SBEs certified to perform the scopes of work that the City regards as realistic opportunities for subcontracting.

Part C: Services Procurement

Part C: Section 2.2: When the City Solicitation Documents for a Service Contract do not contain an SBE Goal, each Proposer must negotiate in good faith with each SBE that responds to the Proposer's solicitations and each SBE that contacts the Proposer on its own accord. Additionally, the City may negotiate a Committed SBE Goal with the successful Proposer after the Proposal Opening.

Part C: Section 2.4: No SBE Goal When There Are No SBE Subcontracting Opportunities. The City shall not establish an SBE Goal for Service Contracts where there are no SBEs certified to perform the scopes of work that the City regards as realistic opportunities for subcontracting.

Part D: Post Contract Award Requirements**Part D: Section 6:** New Subcontractor Opportunities/Additions to Scope, Contract Amendments

If a Contractor elects to subcontract any portion of a Contract that the Contractor did not previously identify to the City as a subcontracting opportunity, or if the scope of work on a Contract increases for any reason in a manner that creates a new SBE subcontracting opportunity, the City shall either:

- notify the Contractor that there will be no Supplemental SBE Goal for the new work;
- or
- establish and notify the Contractor of a Supplemental SBE Goal for the new work.