

CHART OF PROPOSED SUBSTANTIVE CHANGES TO MTC INTERLOCAL AGREEMENT¹

Subject	Summary of Change
Budget	<ol style="list-style-type: none"> 1. Mediation process added for budget disputes (§ VII.C) (P. 8)² 2. Provision added to require an annual accounting and workshop of contributions by each party to CATS and the transit services provided by CATS to each party in return (§ VII.A) (P. 7) 3. MTC given expanded role in developing CATS budgets through required budget retreats (§ IV.D) (P. 4) 4. Annual discretionary fund of \$500k created for MTC to use to conduct studies or commission reports concerning CATS's operations. Spending funds would require 2/3 vote of MTC. City would be contracting party—thus, any contracts may be subject to City Council approval and must comply with City’s procurement policy (§ VII.A) (P. 7)
	5. <i>[Intentionally omitted - Parties agreed to remove previous #5, a provision concerning outside counsel]</i>
Service Approval	6. Codification of existing MTC policy requiring approval of CATS proposals to extend services outside County (§ IV.D) (P. 5)
Governance Review	7. MTC required to conduct governance review and study within 1 year of effective date of new ILA, subject to MTC vote to cancel this requirement if legislation or other circumstances obviate the need for such a review (§ IX.C) (P. 10)
Transparency, Investigations & Records	<ol style="list-style-type: none"> 8. CATS must report to MTC monthly safety data and any final audit reports from NCDOT or FTA (§ VI.C) (P. 6) 9. MTC allowed access to records and facilities of CATS, with safeguards to ensure compliance with applicable laws (concerning safety, privacy of personnel, etc.) (§ IV.D) (P. 5) 10. CATS CEO must report to MTC any other incidents, events, or matters that materially affect the operations, safety, or budget of CATS (§ VI.C) (P. 7)
CEO Selection	11. MTC given increased role in selection process for CATS CEO (App. A) (P. 13)
Term of Agreement	12. Term of ILA runs through June 30, 2034; automatic renewal for subsequent 5-year terms unless amended or terminated by the parties (§ X.B) (P.10)
Road Tax Funds	13. Provision added that any portion of new sales tax revenue designated for non-transit purposes (ex. for roads or roadway systems) will be distributed to eligible local governments and not subject to ILA (§ VIII.A) (P. 9)

¹ The numbering of the issues through #15 is the same as in the “negotiation chart” exchanged between the parties.

² Page Numbers refer to the clean version of the draft ILA.

Subject	Summary of Change
Transit Debt	14. Clarification added that parties will remain liable to City for pro rata share of existing transit debt if ILA ends; and that any new sales tax revenue designated for non-transit purposes will not be used for repayment of transit debt (§ X.C) (P. 11)
Long-Range Plans	15. Codification of existing practice of MTC approving long-range public transportation plans within the County. Deletion of provision giving MTC responsibility to work with local MPOs to develop long-range transportation plans. (§ IV.D) (P. 4)
<i>Previously Negotiated Clean-Up Changes Not Included on Negotiation Chart Exchanged Between the Parties</i>	
Officers	A. Codification of existing practice of rotating MTC chair between City and County and selecting Vice Chair from one of the Towns (currently in the MTC’s Rules of Procedure only) and allowing designees to serve as MTC chair (§ IV.B) (P.4)
Safety Plan Approval	B. Codification of MTC’s existing role as the “Equivalent Authority” designated under federal regulations to approve FTA-required agency safety plan for CATS (§ IV.D) (P. 5)
Equity Recommendations	C. MTC given formal opportunity to recommend how CATS can equitably serve residents of each party (§ IV.D) (P. 5)
Advisory Committee	D. Consolidation of CTAG and TSAC advisory committees into a single new “Public Transit Advisory Committee.” TSAC and CTAG expressed support for this consolidation during the MTC meeting on January 24, 2024 (§ V) (P. 5)
CATS CEO Role	E. Definition of CEO role, including: supervising CATS employees, ensuring safe and efficient operation of CATS, carrying out capital and operating budgets, and ensuring compliance with applicable laws and regulations (§ VI.B & C) (P. 6)
Budget Schedule	F. Revision concerning CATS budgets to reflect annual operating budget cycle, rather than old 2-year cycle (§ VII.A) (P. 7)
<i>Recommended (But Not Required) Clean-Up Changes Not Included on Negotiation Chart Exchanged Between the Parties</i>	
Categorization of MTC Entities	G. Clarification of categories of government entities within MTC and inclusion of existing qualifications for some categories from MTC Rules of Procedure. The categories are: 1) “Parties” – City, County, and Towns; 2) State Transportation Departments – NCDOT & SCDOT (vacant); 3) “Regional Members” – none currently; and 4) “Regional Participants” – all other local governments (§ IV.A) (P. 3-4)
Budget Deadlines	H. Changed timeframe for budget conference committee process to align with start of City’s fiscal year (§ VII.C) (P. 8)