

**MEMORANDUM OF UNDERSTANDING (MOU) AMONG AND
BETWEEN THE LOCAL GOVERNMENT APPOINTING
AUTHORITIES FOR THE CREATION OF, AND THE
APPOINTMENT PROCESS FOR, THE MECKLENBURG
PUBLIC TRANSPORTATION AUTHORITY (MPTA)**

WHEREAS, the North Carolina General Assembly and NC Governor passed and signed into law effective July 1st, 2025 Session Law 2025-39; The Projects for Advancing Vehicle-Infrastructure Enhancements (“P.A.V.E.”) Act., and

WHEREAS, the P.A.V.E. Act authorizes Mecklenburg County to create a new Mecklenburg Public Transportation Authority (“MPTA”) in Section 5.1; and

WHEREAS, the P.A.V.E. Act authorizes Mecklenburg County, the City of Charlotte, the Towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville (collectively the “Appointing Authorities”) to appoint members to the MPTA, and

WHEREAS, the P.A.V.E. Act requires that certain actions be taken by the MPTA by January 1st, 2026 under Section 6.2 of the P.A.V.E. Act; and

WHEREAS, the Appointing Authorities wish to collectively agree and outline the process by which the creation of and appointments to the MPTA will be made in order to comply with the P.A.V.E. Act; and

WHEREAS, in establishing a Metropolitan Transit Authority, pursuant to G.S. 160A-903, and consistent with the legislative intent of G.S. 160A-905, it is in the public’s best interest that Authority membership reflect geographic, and community range of transportation experiences, to the extent possible, and be designed to meet the needs of the commuting public.

NOW THEREFORE, The Appointing Authorities agree to the following schedule regarding the creation of the MPTA, appointments within the P.A.V.E. Act, as well as additional agreements and processes for the appointment of members to the MPTA

SECTION 1: Legislative Language The Appointing Authorities intend to fully comply with the below approved statutory language as stated in the P.A.V.E. Act:

LEGISLATIVE LANGUAGE:

§ 160A-905. Membership; officers; compensation.

(a) The governing body of an authority is the board of trustees. The initial board of trustees shall consist of 27 members, appointed as provided in this section. For each appointment below, the appointing authority may appoint an alternate that may act in the absence of the primary person appointed. The appointments are as follows:

(1) Six members appointed by the board of commissioners of the county that created the authority. Of the members appointed by the board of commissioners, at least one member must live in an unincorporated area of the county and at least one member must have experience owning or operating a small business. For purposes of this subdivision, a "small business" is one that is independently owned and operated, not dominant in its field, and employs fewer than 100 employees on a full-time basis.

(2) One member appointed by the governing body of the municipality that has the second largest population of residents that reside in the county.

(3) One member appointed by the governing body of the municipality that has the third largest population of residents that reside in the county.

(4) One member appointed by the governing body of the municipality that has the fourth largest population of residents that reside in the county.

(5) One member appointed by the governing body of the municipality that has the fifth largest population of residents that reside in the county.

(6) One member appointed by the governing body of the municipality that has the sixth largest population of residents that reside in the county.

(7) One member appointed by the governing body of the municipality that has the seventh largest population of residents that reside in the county.

(8) Twelve members appointed by the governing body of the largest municipality in the county that created the authority as follows:

a. At least three of these appointments must be made upon the recommendation of an entity that represents business interests in the county. b. At least one of the remaining nine appointments by the governing body must be an individual that has experience owning or operating a small business as defined in subdivision (1) of this subsection.

The above Section is also governed by SECTION 6.8. If Mecklenburg County creates a metropolitan public transportation authority under Article 34 of Chapter 160A of the General Statutes, as enacted by Part V of this act, then two of the appointments made under G.S. 160A-905(a)(8)a. shall be made upon the recommendation of Charlotte Regional Business Alliance, a 501(c)(6) organization and the other appointment made under that sub-subdivision shall be made upon the recommendation of the Foundation for the Carolinas, a 501(c)(3) organization.

(9) Two members appointed by the General Assembly, one upon the recommendation of the President Pro Tempore of the Senate and one upon the recommendation of the Speaker of the House of Representatives.

(10) One member appointed by the Governor.

(b) Members of the board of trustees shall serve for terms of four years, provided that one-half of the initial appointments shall be for two-year terms, to be determined by lot at the first meeting of the board of trustees, except that the initial term of one member appointed by the General Assembly shall be for two years and the initial term of the other member appointed by the General Assembly shall be for four years to be determined by lot at the first meeting of the board of trustees. Initial terms of office shall commence upon approval by the Secretary of State of the articles of incorporation.

(c) Reserved for future codification purposes.

(c1) No elected official may serve concurrently as a member of the board of trustees. (c2) A lobbyist or an immediate family member of a lobbyist may not serve as a member of the board of trustees. The definitions in G.S. 120C-101 and G.S. 138A-3 apply for purposes of this subsection.

(d) Members of the board of trustees shall have demonstrated experience or qualifications in the areas of law, finance, engineering, public transportation, urban planning, logistics, government, architecture, or economic development.

(e) Members of the board of trustees shall reside within the territorial jurisdiction of the authority as defined by G.S. 160A-904.

(f) Every two years, the board of trustees shall elect from its membership a group of officers, which shall include a chairperson, vice-chairperson, secretary, and treasurer. An election of an officer must be by a majority vote at a meeting where a quorum is present.

(g) No trustee may serve for more than two consecutive terms on the board of trustees, but a person who has been a member for two consecutive terms may be reappointed after being off the board of trustees for a period of at least two years. An initial term that is two years or less shall not be counted in determining the limitation on consecutive terms. This limitation applies regardless of whether the appointments are made by the same appointing authority.

SECTION 2: AGREEMENT ON APPOINTMENTS. The Local Government Appointing Authorities agree that the following terms shall govern the process by which the Appointing Authorities will proceed with the trustee application process, the vetting thereof, and approval of appointments to the MPTA.

1. Each individual Local Government Appointing Authority shall work individually to determine the application process by which they receive and process Trustee applications through the normal course of their appointment process.
2. The City of Charlotte Clerk, Mecklenburg County Clerk, and appropriate City and County legal staff will work in collaboration to determine qualified applicants for consideration to serve on the MPTA. The remaining individual Appointing Authority's Attorneys and Clerks will determine the eligibility of their applicants.
3. All advisory boards and members of the current advisory system structure of the Metropolitan Transit Commission will transfer over to the new MPTA as they exist and continue to serve as they currently serve.
4. To ensure that the public interests will be represented, appointments to the authority should include those who actively ride public transportation who are impacted by the decisions of the authority. Therefore it is agreed that to the extent possible, at least one (1) of the City of Charlotte's appointments and at least one (1) of Mecklenburg County's appointments will be an individual who is otherwise qualified to serve on the Authority

and who is also an active user of the current Charlotte Area Transit System with demonstrated public transportation system experience per the experience requirements outlined in Section 1 above. If no qualified applicants are available for this appointment, then the County and City shall be excused from the above requirement.

SECTION 3: PROPOSED TIMELINE ON APPOINTMENTS AND RESOLUTION REGARDING ESTABLISHING THE AUTHORITY. The Appointing Local Governments agree to the following schedule of action regarding the creation of the MPTA as well as the appointment of members to the MPTA. This schedule is for reference only and may be altered as necessary by any or all the Local Governments .

July 30th, 2025 MTC special meeting: Metropolitan Transit Commission reviews in an information only meeting to the finalized MOU

August 6th, 2025: Mecklenburg County Commission Public Hearing on the Ballot Referendum.

August, 7th – September 16th, 2025: All municipalities to review and vote on this MOU for approval.

September 3rd, 2025: Mecklenburg County Commission vote to Notice a Public Hearing and place said Public Hearing on the calendar for September 16th, 2025 to hear public comments and vote to establish the MPTA.

September 16th, 2025 Mecklenburg County to hold Public Hearing and Vote on Resolution for Establishment of the MPTA and trustee application process. Mecklenburg County will be the final voting entity granting approval of this MOU.

September 17th, 2025: Application period opens for trustee appointments to the MPTA

September 17th 2025 – November 7th, 2025: Application Period for Appointments to the Authority.

November, 8th 2025 – December 12th, 2025: Trustee appointments will be made to the Authority by the Local Government appointing Authorities from the approved lists made by the Attorneys and Clerks.

By December 31st, 2025: Authority is convened for the limited purpose of approving the required initial reports to the General Assembly.

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APPROVED AND EXECUTED BY THE BELOW APPOINTING AUTHORITIES OF THE
MPTA

CLERK

MECKLENBURG COUNTY CHAIRMAN

CLERK

MAYOR OF CHARLOTTE

CLERK

MAYOR OF CORNELIUS

CLERK

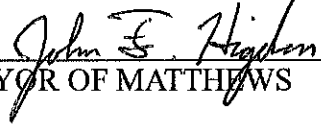
MAYOR OF DAVIDSON

CLERK

MAYOR OF HUNTERSVILLE



CLERK



MAYOR OF MATTHEWS

CLERK

MAYOR OF MINT HILL

CLERK

MAYOR OF PINEVILLE