

Town of Chapel Hill



Third Quarterly Report 2003-2004

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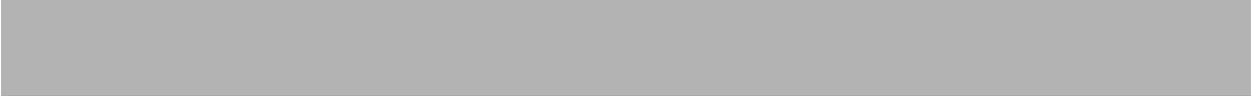
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SUMMARY



**PART I: SUMMARY OF THE THIRD QUARTER REPORT
FOR 2003-2004
(period ending March 31, 2004)**

Town Operations Center

On March 15, the Council held a public hearing to receive comment on the proposed Town Operations Center. The site proposed for development consists of 53.78 acres between I-40 and Millhouse Road, approximately 2,000 square feet north of Eubanks Road, and will house the Public Works Department, Transportation Department, and other Town functions. The project is divided into two development phases. The initial phase of this proposal is scheduled for completion in 2006, with future development scheduled between 2010 and 2035.

The Manager's memorandum of March 15 discussed several key issues, including:

- Traffic control on Millhouse Road.
- Installation of a fence between the proposed development and an adjacent 10.3-acre residential parcel on the southern portion of the site.
- Aeration of stormwater ponds.
- Lighting and noise impacts on surrounding neighborhoods.

Work will continue on the Town Operations Center project, along with ample opportunity for public comment. Updated information about the Town Operations Center is provided on the Town's web site, www.townofchapelhill.org.

University Development

The Council discussed key University development issues during this quarter.

Horace Williams /Carolina North

During the quarter, the Council continued to receive public input regarding development of the Horace Williams property (Carolina North). On March 22, the Council adopted a resolution accepting the report, "Principles, Goals, and Strategies for the Horace Williams Property." The Council referred public comments to the Manager and asked for a follow-up report later in the spring. Mayor Foy also received a letter from University Chancellor James Moeser stating that the revised plans for Carolina North would be presented to the University Board of Trustees at its March 25 meeting and would later be provided to the Council.

In October 2002, the Council established a charge for creation of a Horace Williams Citizens Committee. The charge included development of principles to guide the Council's deliberations with the University. In October 2003, the Committee submitted its *Recommended Principles, Goals, and Strategies for Guiding the Development of the Horace Williams Property* report to the Council. The Council reviewed the report during work sessions and business meetings and referred additional comments to the Committee. On January 28, 2004, the Committee provided the Council with a revised draft of the report.

Zoning Regulations

On March 1, the Council held a public forum to hear citizen comments on the provisions of the Town's Office/Institutional-4 (OI-4) Zoning District. The Council scheduled the forum to hear comments on whether or not the current provisions of OI-4 meet the community's needs.

The OI-4 zoning district was created following extensive negotiations between the Town and the University, and the Council completed the task in July 2001. The end result was a negotiated set of regulations that balanced the University's need for certainty, timeliness of consideration, and ability to pursue a development program with the Town's need for community consideration and mitigation of impacts of such development.

Differences between a Development Plan in the OI-4 district and a Special Use Permit in another district are that an OI-4 Development Plan requires:

- More rigorous standards for mitigation of lighting and noise impacts.
- Designation of Perimeter Transition Areas with additional requirements.
- 90-day time frame for Council action on a Development Plan.
- Requirement that the Planning Board review application, but no requirement that the Planning Board make a recommendation.

The Council will take public comments into consideration in discussion about possible next steps regarding the Ordinance provisions.

Downtown Visioning

On March 22, the Council held a Public Forum to receive comment on the Market Analysis Report commissioned by the Council as part of its consideration of the future development of Parking Lots 2 and 5 in downtown Chapel Hill. The report, which identifies potential uses for the lots that the market could support, is intended to help the Council decide whether to continue with the next phase of the process – development of master conceptual plans.

The Council authorized the Manager to contract with Stainback Public/Private Real Estate LLC in October 2003 to provide economic development consultant services for the development of the parking lots. The Council budgeted \$155,000 for the first two phases of the project as outlined in the contract scope of work – the development of a market demand study followed by the development of conceptual master plans. The Council has the option of deciding whether to proceed after each phase. The Council is scheduled to take further action on this item in the Fourth Quarter.

Traffic-Calming Efforts

Red Light Cameras

On January 26, the Council adopted a resolution directing the Manager to terminate the agreement with ACS, Inc., to end the SafeLight Chapel Hill Program. The Council approved implementation of the program in late 2002. The program aimed to reduce the number of red

light violations and some types of traffic accidents at signalized intersections. The SafeLight Program included two cameras, installed in September 2003 – one on the northbound approach of US 15-501 at Sage Road, the other on the northbound approach of Airport Road at Estes Drive. The Council has directed the Manager to consider other measures that would improve traffic safety at intersections.

Traffic Signal System Software

On March 22, the Council enacted an ordinance that will increase the Capital Improvements Program budget by \$115,000 for upgrading/replacing existing traffic signal system software. The ordinance also increased the Engineering Department budget by \$40,000 for traffic impact analyses required for development applications and paid by developers.

Infrastructure

On March 22, the Council held a Public Hearing to consider using installment contract financing for:

- major renovations on the Inter-Faith Council (IFC) Building;
- roof repairs for Town Hall, Fire Station #2, Fire Station #3, the Chapel Hill Museum; and
- resurfacing of various Town tennis and basketball courts.

After the hearing, the Council approved a resolution accepting the lowest-cost installment-financing proposal submitted by Wachovia Bank to finance these projects over a 10-year period, also contingent upon approval of the financing proposal by the Local Government Commission.

At the same meeting, the Council accepted a bid of the lowest responsive bidder, D.W. Ward Construction Company, Inc., for renovation of the IFC Shelter.

Northside Neighborhood

On February 23, the Council enacted an ordinance creating a Neighborhood Conservation District for the Northside neighborhood. Key issues covered as part of the guideline development process include: nonconforming lots, uses, and features; the effect of the proposed District on non-residential properties; duplexes; and residential building height. The Council action followed discussions and recommendations of the Northside Neighborhood Conservation District Advisory Committee, which consisted of neighborhood residents, developers, at-large members, and members of the Planning Board.

Legislative Agenda

On March 24, the Council held a public forum to hear comment on proposed Town legislative initiatives for the 2004 Session of the N.C. General Assembly. Among the items presented for discussion were:

- A bill to authorize a local public campaign financing program.
- A bill to authorize expenditure of Open Space bond funds outside of the Town's extra-territorial jurisdiction.
- A bill to authorize transfer of development rights into the Town's urban area in association with conservation easements purchased in rural areas of Orange County.
- A bill to extend the time period, established by the Council last year, that a special use permit development can be delayed if the property has been identified as a potential school site.
- Enhanced financial support for the provision of Town fire protection services on the campus of the University.
- A bill to request that the General Assembly repeal the so-called "Defense of Marriage Act."
- A funding mechanism to convert overhead power distribution lines to underground.

The Council held the forum but did not take action on legislative items until the Fourth Quarter. These Council initiatives will be explained in the 2003-04 Annual Report.

Lobbying Regulations

On March 22, the Council discussed issues raised by the Coalition of Neighbors Near Campus. The group petitioned the Council on January 12, and the Council established a Committee to consider the petition. The petition asked the Council to:

- "Recognize that meetings between the University representatives and Council members are lobbying efforts and are a de facto end run around the Open Meetings law."
- "Cease all such meetings until the Council can adopt a policy dealing with such concerted efforts by developers to attempt to influence the Council outside the public process."
- "Recognize that those UNC officials participating in this effort are acting as paid lobbyists and that the Town should adopt a regulation requiring registration of lobbyists and the disclosure of their activity similar to that of Madison, WI."

The Committee met on February 2 and February 23 to discuss the petition, as well as materials gathered from other municipalities. Some Committee members noted that a proposed ordinance might not limit lobbying activity, but would at least require disclosure, and that such disclosure would provide a degree of comfort to Town citizens. Others noted that the examples from other places tend to be from cities much larger than Chapel Hill. The Council received the Committee comments and plans to discuss the item further at the May 24 Council meeting.

Budget Development

During the Third Quarter, the Council began discussion of the 2004-05 Town Operating Budget. The Council held public forums on the budget on January 28 and March 24, welcoming citizen comment. The Manager's Recommended Budget was scheduled for presentation to the Council in the Fourth Quarter, along with further discussion of various budget options. State law requires

that the Council establish the budget by June 30. More about the 2004-05 budget will be explained in the 2003-04 Annual Report.

Development, Development Review, and Planning

Land Use Management Ordinance Adjustments

On February 23, the Council enacted various ordinances to amend the Town's Land Use Management Ordinance. Council resolutions adopted as part of this discussion were:

- adjustment of the application fee schedule for small applications,
- incorporation of duplex design guidelines into the Comprehensive Plan, and
- adoption of a schedule for future consideration of deferred items.

The duplex design standards are to be administered by the Community Design Commission; they include limitations on front-yard parking and a stipulation that height structures should be comparable to nearby buildings.

Habitat for Humanity Property

On January 26, the Council adopted a resolution calling for new noise studies to be performed by the State along the Interstate 40 corridor in Chapel Hill. The Council's action followed a petition from the Sunrise Coalition in September 2003, requesting that the Town take a more active role with noise issues along the I-40 corridor.

On July 25, 2002, Habitat for Humanity entered into an Offer to Purchase and Contract to buy a 16-acre parcel on Sunrise Road in Chapel Hill. Habitat requested funding from the Council (\$50,000) to be matched with funds provided by Orange County (\$250,000), to assist in the purchase of property. On November 25, 2002, the Council voted to approve a loan of \$50,000 to assist in the purchase. Subsequent to the November 25 action, Mayor Foy appointed a Mayor's Committee on the proposed development in order to engage Habitat and neighboring residents in discussion about potential development of this property.

Village Plaza

On February 9, the Council adopted a resolution transmitting Council comments on a concept plan for the Village Plaza Movie Theatre. The 11-acre site is located at 141 South Elliott Road.

On January 27, 2003, the Council enacted a Land Use Management Ordinance requiring that the Council conduct a Concept Plan Review for proposed developments meeting specific land or floor area thresholds. The proposal from the Village Plaza Movie Theatre involved modifying a Special Use Permit approved by the Council on January 27. There will be further opportunities for public comment about the development as the subject comes before the Council as a Special Use Permit Modification application.

Draft 2030 Regional Socioeconomic Projections

On January 26, the Council adopted a resolution forwarding recommendations to the Durham-Chapel Hill-Carrboro Transportation Advisory Committee on the 2030 Regional Transportation Plan socioeconomic projections. The Council held a public forum on January 12 to receive comment about the projections. The tables below, as provided in the Council agenda packet of January 26, summarize the county totals for housing, population, and employment:

Table 1 Dwelling Units

	2002	2030	% increase
Chatham	12,343	29,462	138.69%
Durham	103,865	160,906	54.92%
Granville	7,411	16,414	121.48%
Orange	52,647	75,265	42.96%

Table 2 Population

	2002	2030	% increase
Chatham	27,024	62,879	132.68%
Durham	241,817	366,245	51.46%
Granville	22,691	44,458	95.93%
Orange	125,687	176,948	40.78%

Table 3 Employment

	2002	2030	% increase
Chatham	9,214	12,542	36.12%
Durham	197,177	336,400	70.61%
Granville	11,025	13,181	19.56%
Orange	58,398	108,479	85.76%

Projections used by the Durham-Chapel Hill-Carrboro Urban Area for the development of the regional transportation plan are also used by other public agencies, such as the school systems, to plan investments in new facilities.

Grants

Solar Grant

On February 23, the Council authorized acceptance of a U.S. Department of Energy Million Solar Roofs grant awarded to the Town in the amount of \$10,800. The N.C. Solar Center and N.C. State University announced the award, which will be used for solar projects proposed by the Chapel Hill Solar Roofs Committee. Proposed projects include:

- development of a comprehensive inventory of existing solar energy systems in the Chapel Hill area,
- upgrades to the www.chapelhillsolar.org web site,
- design and construction of an informational sign highlighting solar hot water panels being installed at the Chapel Hill Community Center, and
- implementation of outreach efforts, including workshops on solar technologies.

See “Sustainable Community Grant” below for more information about use of solar grant funds.

Sustainable Community Grant

On March 22, the Council authorized acceptance of a \$91,200 Sustainable Communities Project grant that has been awarded to the Town for implementation of solar energy and energy efficiency projects. The adopted resolution further states that the Town is committed to provide the required 25 percent match, with a portion to come from the 2003 energy efficiency bonds.

Projects that can be funded with Public Buildings Funds as a local match include:

- Energy efficiency improvements throughout Fire Station No. 1.
- Installation of solar hot water panels on the Fire Station’s south-facing roof.
- Installation of photovoltaic panels.

The Town’s 25 percent match totals \$22,800.

Police and Fire Protection

Mobile Data Equipment

On March 22, the Council adopted a resolution authorizing the Manager to enter into an installment contract with SunTrust Leasing Corporation to finance 10 mobile data terminals for use in police patrol cars. The mobile data terminals enable officers driving cars to prepare police reports in the car and submit them directly to the Department’s records system. The adopted proposals specify quotes for three-year fixed rate installment payments on \$133,510 for 10 mobile data terminals and the associated communications equipment and software.

Major Crimes

Major crimes reported to the Police Department decreased 7% compared to last year. The number of reported homicides decreased from 1 to 0 compared to last year. There was a 16% increase in reported residential break-ins, from 229 to 266. The number of motor vehicle break-ins decreased by 36%, from 626 to 401.

Panhandling

The number of arrests for panhandling increased 128% from last year, from 7 to 16. This is due in part to Council-imposed regulations on panhandling in public areas.

Drug Enforcement

Drug charges increased by 3% compared to last year, from 265 to 272. The number of arrests for underage possession of alcohol increased by 3% (from 63 to 65) in the same period, while the number of arrests for using false identification also increased 125% (from 8 to 18).

Traffic Law Enforcement

The number of issued traffic citations decreased by 4% (2,587 to 2,489) from last year, while the number of DWI arrests increased by 32% (209 to 277) in the same period.

Fire Emergency Response Times

The average fire response time was 3.3 minutes in the Third Quarter, compared to 2.5 minutes last year. Fire crews responded to 463 emergency fire calls and 257 first responder calls; 97% of the emergency fire calls were answered in less than 5 minutes from time of dispatch.

Fire Losses

Year-to-date property damage totaled \$991,900, an increase from \$823,999 in the prior year.

Public Works

Refuse Collection

Public Works crews collected approximately 23,700 tons of residential and commercial refuse, including yard waste. As of the Third Quarter, total volume was down 6,134 tons (26%) compared to that for last year. This decrease resulted primarily from the greater quantity of brush debris generated by the severe ice storm in December 2002, which affected the Third Quarter figures last year. However, the average pounds of residential refuse per collector per week increased 13% in the same period.

Streets and Storms

Town Public Works crews responded to winter weather events affecting Town roads in January and February. Snow and ice storms on both January 26 and February 26 provided some inconvenience for area residents and commuters. Although bus service was delayed on these days, most routes were made operational within a few hours, as Public Works Department employees salted and sanded Town streets throughout the events.

Transportation

Transit Ridership

Bus ridership continued its upward climb during this quarter. Year to date, there were 3,960,925 fixed-route trips compared to 3,582,777 during this period last year, a 10.6% increase. This increase occurred despite a series of inclement weather days in January and February, affecting the ability of drivers to get to work.

Public Housing

Proposed 2004-05 Budget

On March 1, the Council adopted a resolution approving the 2004-05 Budget for the public housing program, totaling \$1,651,898.

The U.S. Department of Housing and Urban Development (HUD) requires that public housing operating budgets be submitted 90 days before the beginning of the Town's fiscal year. The 2004-05 fiscal year begins in July 1, therefore requiring completion of the Housing budget by April 1. The budget is about a \$7,500 decrease from the 2003-04 budget and would continue the basic operations of the public housing program.

Parks and Recreation

Bond Sale/Greenways Projects

On February 23, the Council adopted a resolution authorizing the Council's representatives on the Chapel Hill/Orange County Park Project Planning Committee to request that it begin discussions related to use of \$1 million in Orange County bond funds designated for greenway projects in Chapel Hill. The Council's action was in response to a January 12 petition from the Greenways Commission requesting Council actions that would:

- allow the start of design work on the Bolin Creek Trail;
- begin the process to determine a bond sale schedule; and
- establish Council contact with Orange County officials to begin the project planning process for the 2001 Orange County Parks bond dedicated for greenways projects.

Southern Community Park

On March 22, the Council adopted a resolution authorizing expedited processing of a Special Use Permit application for the Southern Community Park project. Expedited processing grants priority status at every step of the process, including its scheduling on agendas of advisory boards and the Council. The Council took this action because of the need for the new park and the voter authorization of bonds for the project.

Homestead Park Aquatics Center

On March 22, the Council adopted a resolution authorizing expedited processing of a Special Use Permit application for the Homestead Park Aquatics Center project. The Council took this action because of the need for the new facility and the voter authorization of bonds for the project.

Library

Top State Ranking

On February 23, the Council received a report detailing the Chapel Hill Public Library's fifth-consecutive #1 rating in the Hennen's American Public Libraries Rating (HAPLR) Index. The HAPLR index compares public library indicators for excellence. The Index ranked North Carolina 33rd in the nation and the Chapel Hill Library first in the State. The HAPLR Index focuses on circulation, staffing, collection, reference service, and funding levels.

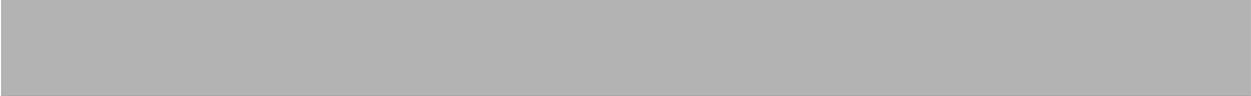
Circulation

Library circulation through the Third Quarter was 601,457, which is 3% higher than last year.

Additional Items

Employee Turnover

The employee turnover rate was 14.8%, which is 7.4% lower than the same quarter last year.



**DEPARTMENT
DETAIL/GRAPHS**



General Revenue

Third Quarter, 2003-2004

GENERAL FUND REVENUES/EXPENDITUES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
TOTAL REVENUES	35,798,541	40,532,512	41,923,238	31,400,329	33,190,068	5.7%
TOTAL EXPENDITURES	35,214,168	38,047,162	41,923,238	25,509,353	29,812,752	16.9%
EXPENDITURES AS A % OF BUDGET					71.1%	

GENERAL FUND MAJOR REVENUES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
REVENUES						
PROPERTY TAXES	18,468,543	21,070,055	20,968,000	20,690,436	21,235,558	2.6%
STATE SHARED REVENUES						
1% Local Sales Option Tax (Article 39)	2,734,638	2,573,572	2,536,610	1,870,620	1,812,836	(3.1%)
1/2% Local Sales Option Tax (Article 40)	1,853,056	1,868,776	1,824,000	1,433,296	1,132,313	(2.1%)
1/2% Local Option Sales Tax (Article 42)	1,836,472	1,848,023	1,824,000	1,418,801	1,122,408	(2.1%)
1/2% Local Option Sales Tax (Article 44)	--	384,163	1,340,000	50,592	929,351	737%***
Total Sales Taxes	6,424,166	6,674,534	7,524,610	4,773,309	4,996,908	4.7%
Utility Franchise Tax	1,067,205*	2,023,320	2,110,700	1,477,351	1,437,032	(2.7%)
Powell Bill	1,552,563	1,490,126	1,394,000	1,490,126	1,315,545	(11.7%)
Intangibles Tax	503,563	**	**	***	**	--
State Fire Protection	849,764	849,764	850,000	637,323	637,323	0%
Beer and Wine Tax	*	221,998	205,000	--	--	--
Other State Shared Revenues	85,895*	**	**	***	**	--
TOTAL STATE-SHARED REVENUES	10,483,162	11,259,974	12,084,310	8,378,109	2,638,655	.1%

*A portion of two quarters of the Utility Franchise Tax revenue, one-half of the Inventory Tax reimbursement revenue and the entire annual distribution of the Beer and Wine Tax revenue were withheld by the Governor in 2001-02.

** Reimbursement revenue from this source was eliminated by the N. C. General Assembly in September, 2002.

***New ½ cent sales tax revenue was not effective until December 2002.

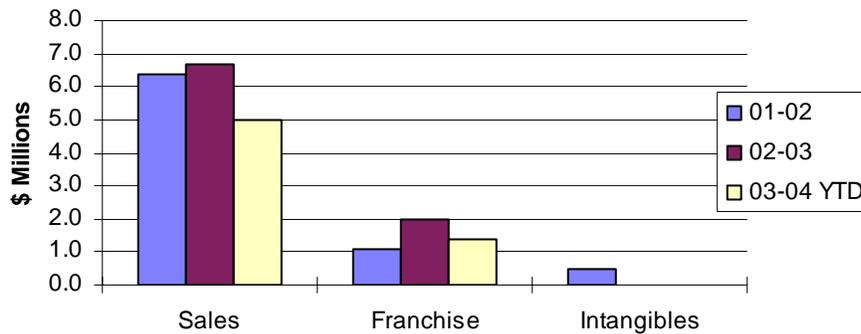
General Revenue

Third Quarter, 2003-2004

TAX BASE	Actual 01-02	Actual 02-03	Budget 02-03	YTD 02-03	YTD 03-04	Change from Prior Year
REAL PROPERTY	3,786,000,000	3,688,289,625	3,786,000,000	3,698,052,126	3,828,827,418	3.5%
PERSONAL PROPERTY	403,959,196	415,023,471	415,000,000	343,730,527*	344,161,762*	0.1%
PUBLIC UTILITIES	60,873,428	63,868,306	63,000,000	63,868,306	60,205,985	(5.7%)
TOTAL	4,021,127,152	4,167,181,402	4,264,000,000	4,159,650,959	4,233,195,165	1.8%

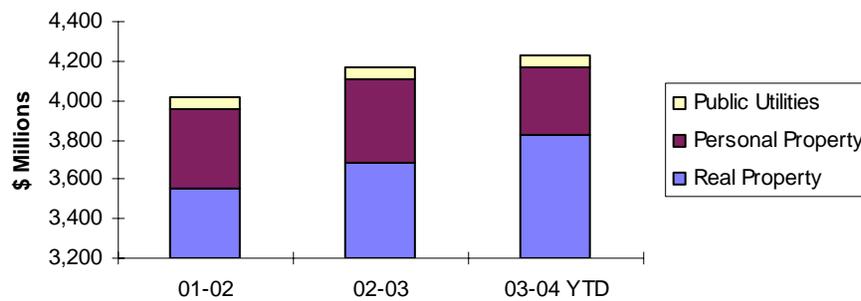
NOTE: * Reflects motor vehicle listings for four months.

Major State-Shared Revenues



Sales tax revenues, excluding revenue from the new ½ cent tax, were about 14% less than last year for the first three quarters. Franchise taxes were about 2.7% less than for the first three quarters last year. The intangibles tax reimbursement revenue was eliminated by the N. C. General Assembly in September, 2002.

Property Tax Base



The tax base valuation based on billing through March 31, 2004, was \$4,233,195,165 or about 1.8% more than last year for the first three quarters.

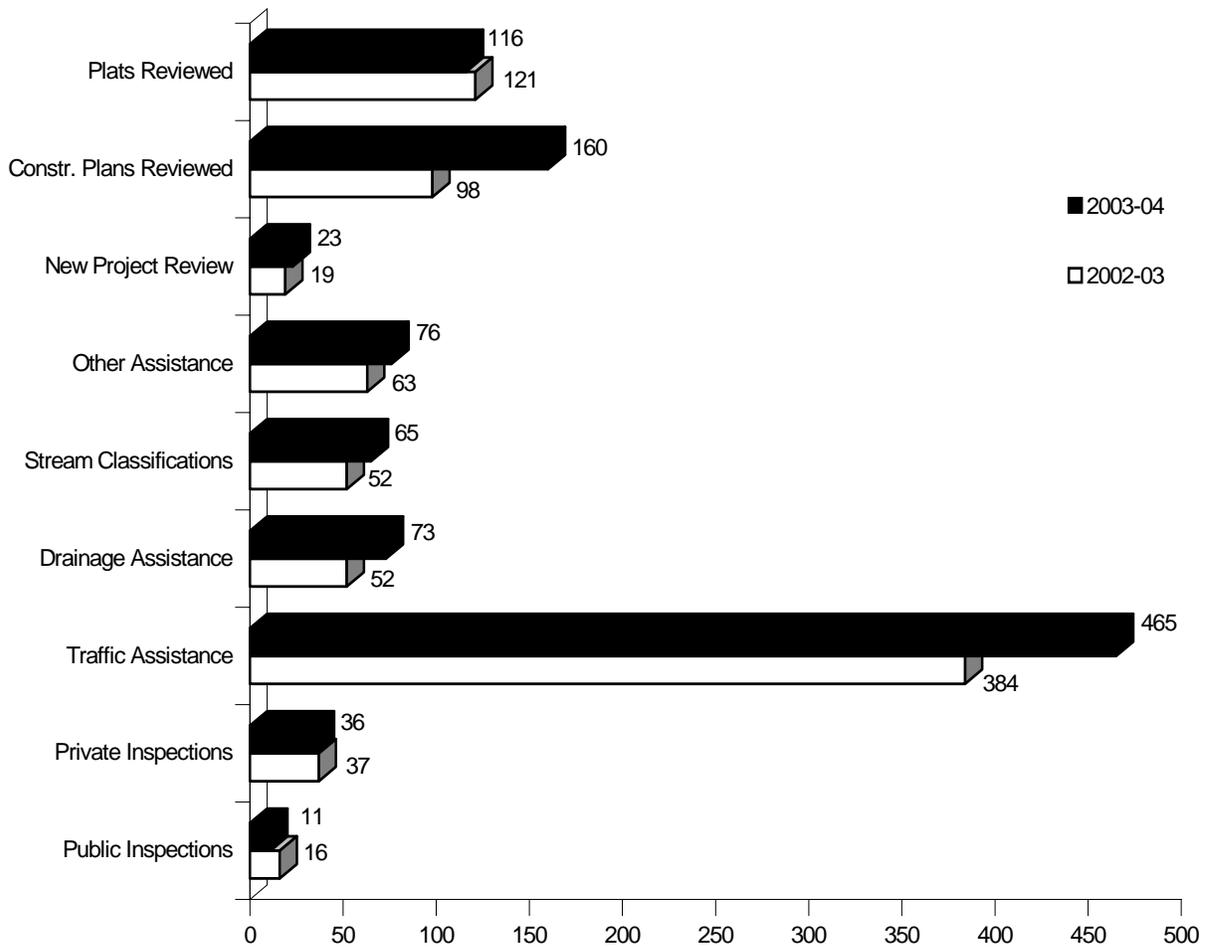
REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Revenues	163,400	143,359	122,300	135,295	122,686	-9%
Expenditures	975,149	951,902	1,298,709	647,411	860,754	+33%
Expenditures as % of Budget					67%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Drainage Requests	59	80	60	52	73	+40%
Traffic Requests	547	534	500	384	465	+21%
Other Requests	97	94	90	63	76	+21%
Plat Reviews	173	137	175	121	116	-4%
New Development Reviews	43	24	50	19	23	+21%
Constr. Plan/Rpt. Reviews	126	171	150	98	160	+63%
Steam Classifications	20	83	15	52	65	+25%
Private Projects Being Inspected	52	47	50	37	36	-3%
Public Projects Being Inspected	26	19	20	16	11	-31%
Cemetery Spaces Sold	107	134	120	65	108	+66%
Cemetery Spaces Staked	96	83	100	57	79	+38%
Cemetery Monuments Staked	82	72	90	51	49	-4%

SAFETY PERFORMANCE	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Safety Training: # of staff hours of training (# of employees X training time)	4.15	8.0	N/A	8.0	-0-	-8.0
Safety Inspections: # of hazards identified/ % of items mitigated	1/100%	1/100%	N/A	1/100%	0/100%	-1

OBJECTIVES	PROGRESS/STATUS
To provide timely, consistent, thorough reviews and construction supervision of both public and private development projects.	Our review process assures consistency and a timely level of service in meeting review deadlines. We meet with engineers about review comments, and continue to improve interdepartmental communications and procedures. We maintain a high level of field supervision and direction during construction.
To administer a comprehensive Stormwater Management Program which addresses community stormwater quantity and quality issues.	We continue existing stormwater related services and preparation for compliance with Federal and State mandates. We investigate expanded program areas relating to water quality and control of stormwater runoff to the extent practicable. We continue work on development of a stormwater utility that we expect to implement by the end of FY 2003-2004.
To manage, operate, and maintain a computerized traffic signal system in Chapel Hill and Carrboro.	We manage the system for maximum efficiency and effectiveness. We supplement and improve the system as necessary. We are continuing negotiations with the State regarding signal system upgrade. We are revising signal timings on major transportation corridors. Automated Red Light Enforcement program was terminated in Third Quarter.
To expand and improve in-house land surveying and engineering design services necessary for developing Town improvement projects.	We maximize use of Town engineering and surveying resources for design and development of Town projects.
To develop, coordinate, and manage a comprehensive Geographic Information System.	We continue to develop G.I.S. applications to improve Town information services and coordination with other local and State agencies. We continue coordination with State regarding new floodplain mapping. Aerial photography mapping contract services for calendar year 2003 are complete.
Provide and upgrade safety equipment for all department operations as needed.	We continuously monitor needs and provide safety equipment as needed.
Upgrade equipment and implement department ergonomic adjustments as needed.	We continuously monitor needs and provide ergonomic equipment as needed.
Identify and mitigate potential and/or actual department safety risks.	Ongoing review of work areas. Deficiencies corrected as identified.
Progress on Priority Projects named for the year.	Safety program improvements are ongoing.
Explanation for uncorrected inspection items.	No items identified this quarter.

Engineering Reviews, Assistance, Inspections, and Surveys



Engineering plans and reports for all types of improvements, traffic engineering, and stormwater management relating to new development are reviewed. The number of new projects submitted for our review was greater than last year, perhaps relating to the general economic improvement. Formal requests for assistance which require a written or verbal response are indicated. Traffic-related requests remain at a high level, as traffic issues continue to be important to the community. The Engineering Department inspects streets and related improvements for proper construction. Most of this work involves infrastructure supporting private development.

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Expenditures *	1,171,843	884,199	952,680	538,560	416,229	(23%)
Expenditures as % of Budget					44%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
ACCOUNTING & BUDGETING						
# Payroll checks and direct deposit vouchers written	29,935	28,369	---	14,189	14,839	5%
# Vendor checks written	11,484	11,657	---	6,538	5,076	(22%)
PURCHASING						
# Purchase Orders Issued	2,070	2,092	---	1,595	1,720	8%
# Contracts Processed	244	287	---	225	285	27%
\$ Formal Bids	6.60M	---	---	---	.33M	N/A
\$ Informal Bids	2.47M	2.22m	---	1.49M	1.41M	(5%)
\$ Architectural and Engineering Bids	.09M	.11m	---	.02M	2.91M	145%
\$ Construction Bids	2.94M	.29m	---	.16M	1.20M	650%
\$ Contracts received by Minority/Women Owned Enterprises	.09M	---	---	---	---	N/A
% Contracts received by Minority/Women Owned Enterprises	9.9%	---	10%	---	---	N/A
RISK MANAGEMENT						
# Insurance Claims Processed	61	95	---	45	145	222%
\$ Claims Collected	30,752	38,023	---	38,023	54,640	44%
SAFETY PERFORMANCE						
Safety Training: # of staff hours of training (# of employees x training time)	---	---	---	---	---	N/A
Safety Inspections: # of hazards identified/ % of items mitigated	---	---	---	---	---	N/A

OBJECTIVE	PROGRESS/STATUS
BUDGET AND ACCOUNTING	
Maintain accounting records in a manner that supports the operation of the Town and enables the Town to obtain an unqualified audit opinion on its annual financial statements. Renew the Certificate of Achievement for Excellence in Financial Reporting from the National Government Finance Officers Association.	Unqualified audit opinion obtained. Comprehensive financial report presented to the Council in November 2003. Certificate of Excellence received for the Fiscal Year 2002 report for the 18 th consecutive year. Fiscal Year 2003 Comprehensive Annual Financial Report was submitted to GFOA for the Certificate of Excellence award.
Monitor the Town's investment program to assure maximum return on invested funds (considering safety and liquidity) and to assure that at least 98% of all funds are invested daily.	Funds monitored and properly invested. Interest rates on investments remained constant at 1.25% throughout the quarter.
Provide financial, budgetary and accounting assistance in the coordination and implementation of bond projects and other debt financing requirements including preparation for the bond referendum in November 2003.	Planning has begun for future financing for the Town Operations Center.
Include information in annual budgets necessary to continue to receive the Distinguished Budget Presentation Award from Governmental Finance Officers Association.	Distinguished Budget Presentation Award received for the Fiscal Year 2003-04 budget.
PURCHASING AND RISK MANAGEMENT	
Maintain at least a 10% participation level for minority and women-owned businesses in formally bid Town construction projects.	There was no minority or women-owned business participation in formally bid Town construction projects this quarter.

* NOTE: The base budget and spending for the Finance Department dropped from fiscal year 2001-02 to 2002-03 because the Information Technology Division of the Finance Department became a separate department for budgetary purposes beginning July 1, 2002.

REVENUES/EXPENDITURES	Actual 2001-2002	Actual 2002-2003	Budget 2003-2004	YTD 2002-2003	YTD 2003-2004	Change from Prior Year
Expenditures	4,715,628	4,990,815	5,333,763	3,318,455	3,597,498	+0.08%
Revenue from Inspections	3,500	3,845	3,000	3,485	3,785	+0.09%
Expenditures as % of Budget					67.4%	

ADDITIONAL DETAIL	Actual 2001-2002	Actual 2002-2003	Budget 2003-2004	YTD 2002-2003	YTD 2003-2004	Change from Prior Year
ADMINISTRATION						
# of injuries to citizens due to fire	0	0	0	0	1	+1
# of on-the-job injuries to employees	0	9	0	6	0	-6
# of deaths due to fire	0	0	0	0	0	0
LIFE SAFETY						
# of primary inspections of commercial buildings	927	1,145	300	736	684	-52
# of secondary inspections of commercial buildings	469	366	420	249	178	-71
# of hazards/deficiencies cited in occupancies	1,708	2,215	1,100	1,425	2,509	+1,084
# of site/construction plans reviewed for Fire Code compliance	200	211	75	159	137	-22
# of fire occurrence investigations for cause and circumstances	23	19	50	14	12	-2
EMERGENCY OPERATIONS						
# of primary inspections of commercial buildings	362	163	600	120	222	+102
# of secondary inspections of commercial buildings	346	79	600	70	35	-35
# of Public Education Contacts	306	352	300	224	433	+209
# of fire responses (emergency)	2,423	2,088	1,600	1,638	1,421	-217
# of *1st Responder emergency medical responses	1,350	984	1,200	722	812	+90
# of fire responses (non-emergency)	152	254	200	162	288	+126

* 1st Responder is the program where Town fire personnel are dispatched along with a County ambulance to provide first aid to victims.

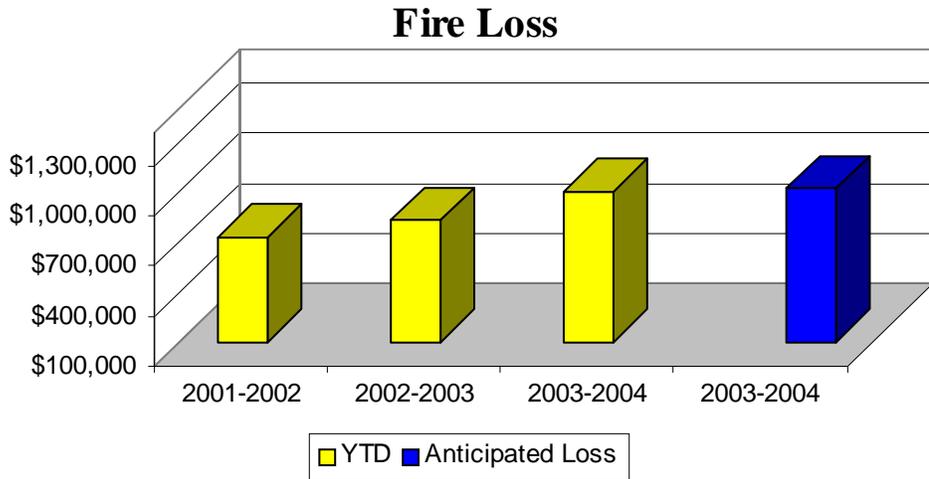
NOTE: Home inspection program has been altered. Home inspections are conducted when requested and not solicited door to door as before.

Fire**Third Quarter, 2003-2004**

ADDITIONAL DETAIL cont.	Actual 2001-2002	Actual 2002-2003	Budget 2003-2004	YTD 2002-2003	YTD 2003-2004	Change from Prior Year
Average Fire Response Time**	3.0	3.3	5.0	2.5	3.3	+0.8
Average 1st Responder Response Time	2.7	3.2	5.0	3.1	3.2	+0.1
Average Time Spent on the scene of a 1st Responder Call (minutes)	17.8	11.3	20.0	24.0	21.5	-2.5
Type of Fire Loss:						
Commercial	3	1	11	0	1	+1
Institutional	8	1	6	1	1	0
Multi-family residential	4	2	16	1	2	+1
Single-family residential	12	5	18	1	5	+4
Total fire loss	1,118,170	1,058,199	1,012,705	823,999	991,900	+167,901

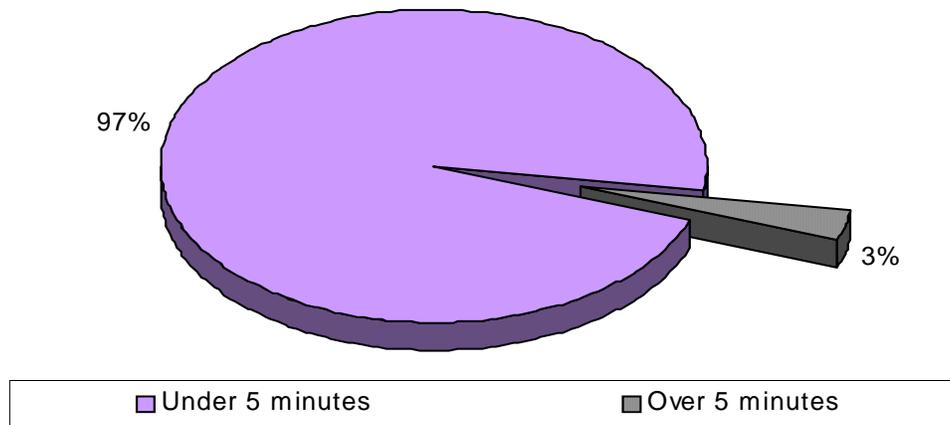
OBJECTIVES	PROGRESS/STATUS
To reduce property loss from fire to 25% lower than the average loss for the previous five years.	Fire damage for the first, second and third quarters was \$991,900.
To maintain an average emergency response time of less than five minutes with no more than 10% of responses exceeding five minutes.	The Fire Department responded to 463 emergency fire calls this quarter. Non-emergency responses totaled 86. Fire crews responded to 257 first responder calls. Ninety-seven percent of the emergency fire calls were answered in less than 5 minutes from time of dispatch.
To improve fire safety in commercial buildings by the primary inspection of 900 occupancies during FY 96-97 and follow-up inspections estimated at 1,020.	The Life Safety and Emergency Operations Divisions this quarter conducted a total of 394 primary inspections and 101 secondary inspections.

**Response time is the difference between the time the Fire Department acknowledges the dispatch from the communications center and the time fire personnel arrive on scene. The response time can also be viewed as the travel time for the call.



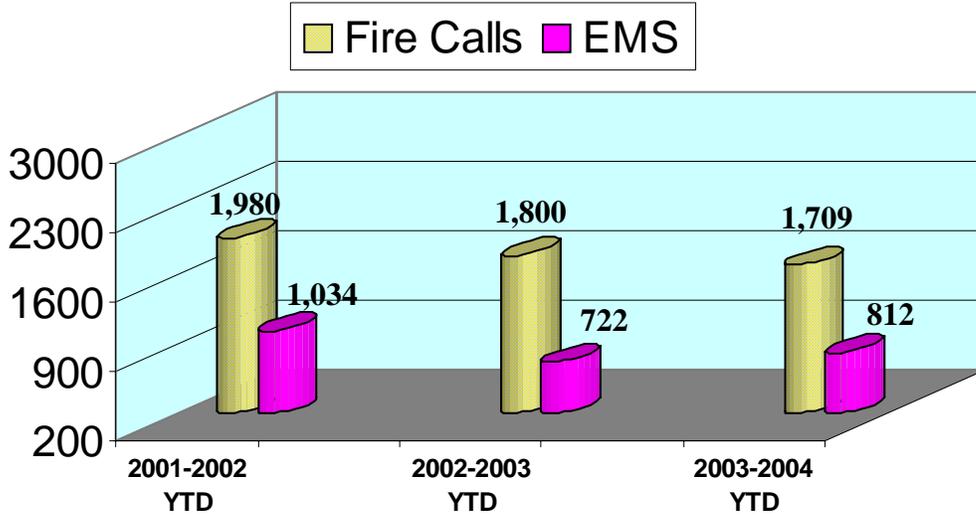
Property damage due to fires in the 1st, 2nd, and 3rd quarter totaled \$991,900. The estimated fire loss of \$1,012,705 reflects the average fire loss over the last five years. This trend is targeted by Fire Department staff for reduction through fire prevention, code enforcement and suppression activities.

Fire and Emergency Response Time



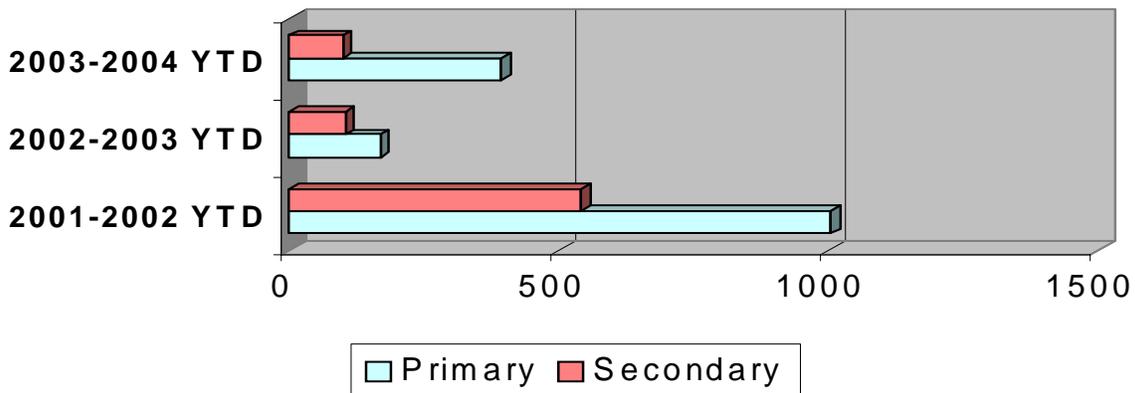
Approximately 97% of emergency fire calls received a response within 5 minutes of a dispatch from Orange County 911 Center. The objective is 90%. The 3% that received a response greater than 5 minutes reflects the possible impact from multiple calls occurring in the same fire district, requiring a response from fire personnel from a back-up station.

Calls for Service



Fire personnel responded to 463 emergency fire-related calls and 86 non-emergency fire-related calls this quarter (1,980 emergency and non-emergency fire-related calls year-to-date). In addition, fire apparatus responded to 257 1st responder calls this quarter (1,034 1st responder calls year-to-date). The total number of calls where fire personnel have rendered assistance during this quarter is 806.

Commercial Inspections



Inspection of commercial buildings consisted of 394 primary and 101 secondary visits during the 3rd quarter (906 primary and 213 secondary year-to-date) by Life Safety and Emergency Operations Divisions.

Housing**Third Quarter, 2003-2004**

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues: Operations	1,300,852	1,553,621	1,659,462	1,185,800	1,074,547	-9%
Expenditures: Operations	1,335,934	1,384,144	1,659,462	914,304	1,112,100	+21%
Expenditures as % of Budget					67%	

ADDITIONAL DETAIL	Actual 2001-02	Actual 2002-03	Estimated 2003-04	YTD 2002-03	YTD 2003-04	Change from Prior Year
EXPENDITURES (Percent of each budget expended to date)						
Capital Fund Program for public housing renovations.	464,802	632,308	1,237,605	377,494	147,457	-61%
Drug Elimination Grant	84,526	11,318	4,048	8,339	3,100	-63%
HOUSING SERVICES						
# of Vacant Apartments Prepared for Occupancy.	60	53	50	42	39	-7%
# of Units Refurbished	27	38	38	33	27	-18%
# of Work Orders Completed this quarter: 745	1611	3,260	3300	2444	2156	-12%
Preventive Maintenance Inspections	1,344	1,344	1344	446	260	-42%
Safety and Emergency Repairs	1,722	2,353	2000	1059	1903	+80%
# of Families on Public Housing Waiting List	158	237	250	187	213	+12%
Percent of Rent Collected On Time	92%	95%	95%	86%	92%	+6%
Units Occupied	321	317	NA	317	313	-1%
Units Under Renovation	7	15	13	10	0	-100%
Units Vacant	4	7	50	7	8	+12%

Note: The number of vacant apartments includes 2 apartments that are being used as Community space.

Housing

Third Quarter, 2003-2004

SAFETY PERFORMANCE	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Safety Training: • # of staff hours of training • # of employees X training time • # of safety committee meetings	3 (15)	3 (15)	N/A	3 (15)	2	-33%
Safety Inspections: •# of inspections •# of hazards identified/ •% of items mitigated	0	0	N/A	0	0	0
Time lost due to work-related injury or illness	0	0	N/A	0	145	0

OBJECTIVES	PROGRESS/STATUS
To Provide Drug Prevention Activities	<p>The Housing Investigator continues to monitor and track all crimes on public housing property, or involving public housing residents. In addition, he meets with the Housing Officer II. He works jointly with Housing staff to meet with residents to address community problems and attends new tenant orientation. The Housing Investigator provides assistance with evictions and court cases.</p> <p>The youth employment program has employed 7 youth to work in various Town departments from March to May for it's year round pilot program. The Community Policing Officers coordinated with Parks and Recreation to provide a tutoring and basketball program for youth. Orange County Literacy Council continued to offer computer training and GED preparation.</p>
To Recertify Eligibility for Public Housing Tenancy every Twelve Months.	There were a total of 34 interim rent adjustments and 90 recertifications of eligibility this quarter.
To complete refurbishing work in 38 public housing apartments.	Refurbishing work was completed in 27 public housing apartments.
To begin renovation work at the Airport Gardens public housing neighborhood.	A contract in the amount of \$757,000 was awarded for the Airport Gardens renovations. The contract was not executed because of a determination that the bid process did not comply with federal regulations. The renovation work will be re-bided next quarter.
To provide resources and training opportunities through the ACHIEVE! Family Self-Sufficiency Program to help public housing residents move towards economic independence.	There continues to be regular meetings with Program participants to review progress in meeting goals. The number of Program participation decreased from 6 to 5. One participant is attending college and is in her final semester of cosmetology. One participant moved out of public housing. Two participants are job seeking. Two are working on developing a non-profit agency.

OBJECTIVES	PROGRESS/STATUS
To provide financial and homeownership training opportunities for participants in the Transitional Housing Program.	The one Program participant has been participating in a financial management program for 15 months. The participant continues to improve her financial situation (e.g. lowering debt). The participant has begun looking for a mortgage loan.
To purchase the homes for the Transitional Housing Program.	The Orange County Board of Commissioners approved the \$75,000 that was appropriated under the 1997 Housing Bond. An application was submitted to the HOME Program requesting \$125,000 for the Transitional Housing Program.

Human Resources**Third Quarter, 2003-2004**

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Expenditure	528,273	513,857	607,012	357,027	299,379	-20.2%
Expenditures as % of Budget					49.3%	

	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
PERSONNEL TRANSACTIONS						
# of Personnel Transaction Forms Processed	1001	2517	1100	1136	785	-286
# Temporary Hires processed	292	381	475	180	616	+421
# Job applications (permanent and contract)	3684	4093	2300	2892	1350	-1542
# Recruitments / # Positions (permanent and contract)	84/221	96/290	120/400	74/210	65/147	-9/-63
# New Hires (permanent)	93	56	80	37	64	+27
# Grievances	12	8	N/A	7	3	-2
# Disability claims initiated	6	3	N/A	3	13	+10
# Promotions & Career Advancements	113	44	N/A	57	42	-15
TURNOVER (Permanent Positions)						
Turnover %, Annualized	8.3%	5.6%	11%	*22.2%	14.8%	-7.39
# Voluntary Resignations: Law Enforcement	5	8	N/A	7	6	-1
# Voluntary Resignations: Non-Law Enforcement	28	22	N/A	20	10	-10
# Service Retirements	9	9	N/A	5	3	-2
# Disability Separations (Including disability retirements)	2	2	N/A	0	3	+3
# Involuntary Terminations	11	4	N/A	4	2	-2
Total # separations from employment	63	45	N/A	36	24	-12

*There was a calculation error. This number represents the corrected data.

	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
SAFETY AND WELLNESS						
# Lost days - Workers' Compensation (WC)	1097	555.05	N/A	418	249.38	-168.62
New # WC claims - over 3 days lost time	6	1	N/A	1	8	+7
# Employees in group safety and health programs, including Health Fairs	370	0	500	0	0	0
# Employees in individual safety and health programs	11	0	40	0	0	0
# Safety and health/wellness hours	249	0	1000	0	0	0
TRAINING						
# of Employees trained by Human Resources Staff	74	53	300	0	109	+109
# Training Hours by Human Resources staff	444	212	1500	0	283.5	283.5
# Employees - training conducted by others and arranged by Human Resources	594	0	150	8	0	-8
# Training Hours - training arranged by Human Resources	2381	0	400	8	0	-8
# Approved applications, tuition assistance	22	25	20	24	15	-9

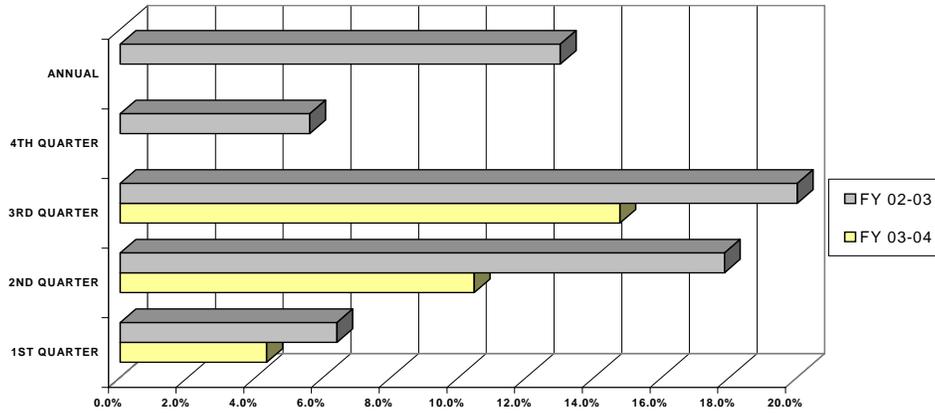
SPECIAL OBJECTIVES	PROGRESS / STATUS
Evaluate the current Human Resources departmental functions in each program area, set goals for each and work toward partnerships with departments. Work with departments to define department and Human Resources roles, specify processes, feedback loops and documentation requirements.	Program reviews are completed, and the majority of HR departmental procedures and daily activities have been revised. Ongoing training programs for Payroll/Benefits reps are underway to improve skill levels and understanding of how to use the information, forms and processes accurately and effectively. Targeted efforts in specific departments are occurring which address needs for further training and support of departmental reps in HR-related activities.

<p>Search for and develop means of automating processes to increase effectiveness of communications and maximum information dissemination to departments and employees.</p>	<p>Forms and processes used by employees and departments are available online through the Human Resources Shared Directory on the Town intranet. This has expanded employees' and departmental representatives' ability to work independently, take action more quickly to make changes and to obtain information needed more easily. Efforts are underway to improve departments' access to their data and to train reps in generating reports and monitoring employees' status and changes needed.</p>
<p>ONGOING OBJECTIVES:</p>	
<p>Conduct and coordinate training for employees as requested by employees and departments.</p>	<p>During this quarter: Training of employees in safe handling of blood-borne pathogens was completed for 32 employees by the Town Safety Officer.</p>
<p>Work with departmental Benefits and Payroll Committee (made up of one or more employees from each department responsible for payroll and other personnel paperwork) in improving the consistency and accuracy of payroll, personnel records, and timesheets, in communicating benefits information, and in documenting policies and procedures.</p>	<p>Regular meetings with this group continue; topics discussed include pay administration, Family Medical Leave, proper completion of Federal Immigration documentation. Quality improvements in administration of payroll, employee records and timesheets continue as awareness and knowledge levels of policies and procedures have increased.</p>
<p>The Human Resources Department assisted in the establishment of the Town-wide Employee Committee recommended by Henry McKoy in his report on Work Environment last year. The group is known as the Employee Forum and meets regularly to :</p> <ul style="list-style-type: none"> • Identify ways to recognize individual worth and uniqueness of each employee • Identify ways for the Town to value diversity • Identify ways for employees to provide input to the Town administration and provide a venue for that communication • Encourage a sense of community among Town employees • Assist in the communication of issues and activities affecting employees 	<p>The Employee Forum continues to meet monthly, and is considering and discussing the issues identified by the group. Elections for officers of the group were recently completed with the new officers being installed in January 2004. Regular meetings with the Manager have included discussion and consideration of issues identified by the group as important to the Town employees. The group has established a website on the Town main website where employees are able to see information about the mission, members, minutes and recent activities of the group.</p>
<p>Revised organizational structure for the Human Resources department will be completed and implemented with the goal of improving regulatory and programmatic achievement of goals.</p>	<p>The Occupational Health and Safety Officer is working with the Town's insurer (NC League of Municipalities) to identify ways to reduce the number and cost of claims. A complete review of assigned risk codes for all Town jobs has been completed. The new Administrative Clerk has been hired and is now being trained to assist in support of the Workers Compensation and OSHA programs.</p>

Turnover Comparison Chart

FY 03-04 vs. FY 02-03

Second quarter turnover is 10.46%, 7.39% lower than last year.



REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Expenditures	340,756	472,172	582,698	318,906	377,030	+18%
Expenditures as % of Budget					64.7%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
% World Wide Web site uptime	NA	NA	NA	100%	95%	-5%
% Council information (schedule, agenda, minutes) published on web site within one day of availability	NA	NA	NA	97%	92%	-5%
% Requests for help desk support for which initial troubleshooting is completed within one day.	NA	NA	NA	86%	90%	+4%
# Hours of training provided to Town staff members	NA	NA	NA	12	12	0%
SAFETY PERFORMANCE						
Safety Training: # of staff hours of training (# of employees x training time)	--	--	--	--	--	NA
Safety Inspections: # of hazards identified/ % of items mitigated	--	--	--	--	--	NA

OBJECTIVES	PROGRESS/STATUS
To maintain the World Wide Web site information available to the public on a continuous basis.	Continuous availability is maintained through the use of two web sites - a commercial web site and a Town Hall web site. Commercial site problems led to non-availability during this period.
To publish Council meeting schedules, agenda, and minutes on the World Wide Web within one day of release to the public.	Council agenda and minutes are published on receipt and normally within one day of release to the public.
To provide timely response for help desk calls by providing initial troubleshooting within one day of the request.	Initial response normally met within eight hours. Several repairs required parts or system rebuild requiring additional time for completion.
Provide computer software application training for staff members each quarter.	Twelve hours training provided as response to departmental requests.

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues-Permits & Fees	728,497	791,583	675,000	597,013	525,178	-12%
Revenues-Rental Licensing	-	77,710	75,000	74,220	80,003	+07%
Expenditures	582,610	649,101	717,100	446,013	501,020	+12%
Expenditures as % of Budget					72%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
# Sign Inspections	*498	392	0	271	507	+87%
# Zoning Inspections	217	82	100	59	70	+19%
# Day Care Center Inspections	19	5	25	3	8	+167%
# Private Property Complaints	321	24	100	19	47	+147%
# Business Occupancy Inspections	51	67	50	60	63	+5%

VALUE OF CONSTRUCTION

Type of Construction

New Residential	87,041,901	78,935,474	30,000,000	56,841,979	54,619,063	-04%
New Non-Residential	17,235,440	20,314,719	10,000,000	15,720,319	10,736,000	-32%
Residential Alterations	12,107,689	21,813,667	5,000,000	15,397,020	12,414,232	-19%
Non-Residential Alterations	15,706,373	20,993,668	7,500,000	15,779,309	7,058,905	-55%
TOTAL PERMITTED VALUES	132,091,403	142,057,528	52,500,000	103,738,632	84,828,200	-18%

INSPECTION TYPE

Building	5,091	5,338	3,660	3,770	4,960	+32%
Electrical	2,696	3,031	1,830	2,299	3,088	+34%
Mechanical	2,901	2,676	1,830	2,146	3,166	+48%
Plumbing	2,109	2,369	1,830	1,825	2,491	+36%
Total Number of Inspections	12,797	13,414	9,150	10,040	13,705	+37%

SAFETY PERFORMANCE

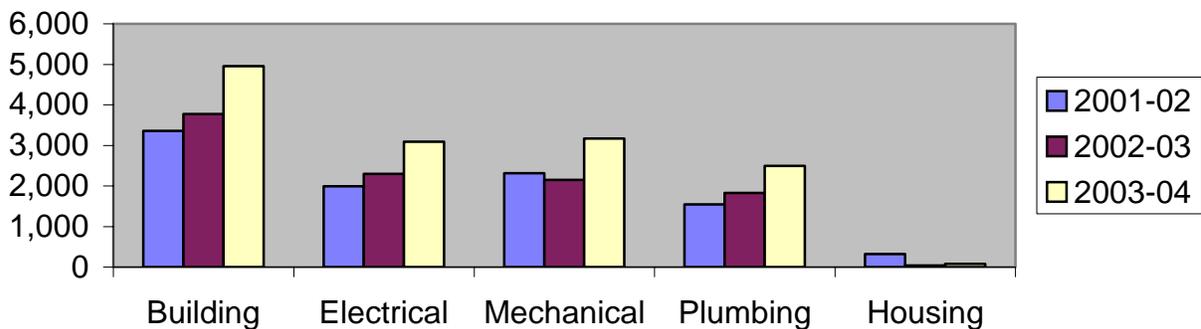
Safety Training: # of staff hours of training (# of employees X training time)	42	42	42	31.75	31.75	-
Safety Inspections: # of hazards identified/ % of items mitigated	1	1	N/A	-	1	+100%

*These were signs in the public right-of-way and were removed.

OBJECTIVE	PROGRESS/STATUS
To review plans, inspect construction projects and assure correction of all Code violations found on an estimated 685 units of construction.	We reviewed plans, inspected construction projects and assured correction of code violations on 791 units of construction.
To investigate all requests for enforcing the Minimum Housing Code and to have corrected 80% of all deficiencies within 60 days.	We investigated 77 requests for enforcing the Minimum Housing Code and 55 were corrected within 60 days, using Minimum Housing Code procedures, for a 71% compliance rate.
*To investigate dilapidated vehicles on private property and have them removed.	We investigated 14 dilapidated vehicles and had 8 removed.
Vehicle fire extinguisher and First Aid kit inspection monthly.	Inspected monthly.

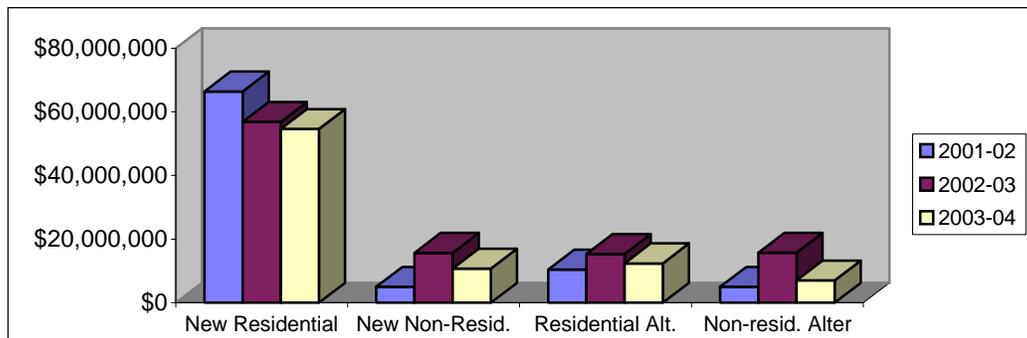
*The dilapidated vehicle program began in the third quarter of 2001-02.

Number of Inspections



The number of inspections has increased by 27% due to the large number of condominium and townhouse permits issued.

Construction Values



Total construction values are down 18% from last year.

REVENUES/ EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues	448,621	470,324	465,000	341,703	374,421	+9.6%
Expenditures	1,782,766	1,873,330	1,959,490	1,386,816	1,351,282	-2.6%
Expenditures as % of Budget					69%	

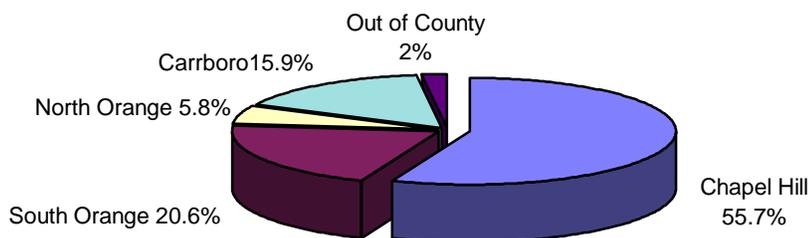
ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Adult/Young Adult circulation	429,913	432,377	440,000	321,582	327,284	+1.8%
Children's circulation	325,167	353,107	360,000	262,657	274,173	+4.4%
TOTAL CIRCULATION	755,080	785,484	800,000	584,239	601,547	+3.0%
Circulation per hour: In library 68 hours	213.5	222.1	226	220.3	226.85	+3.0%
Interlibrary loan requests	798	475	800	307	574	+86.9%
Reserves of materials	10,998	8,286	9,400	6,194	6,420	+1.8% ¹
Patron registration	26,030	25,506	26,500	26,110	26,410	+1.1%
Reference activity	101,126	107,404	110,000	NA	NA	NA ²
Public Internet sessions	36,680	37,480	40,000	NA	NA	NA ²
Children's computer sessions	6,170	7,478	8,500	2,184	5,006	NA ²
Volunteer hours	3,003	2,460	2,500	1,780	1,995	+12.1%
PROGRAMS						
Meeting Room Attendance	9,539	8,154	9,300	8,397	9,965	+18.7%
Children's Program: Attendance	9,038	8,716	9,000	6,538	6,838	+4.6%
Collection size (catalogued & un-catalogued)	141,625	148,706	154,000	146,112	150,350	+2.9%

¹ Interloan transactions decreased in 2002-2003 due to an increased fee from \$1 to \$10 per item. Activity increased after the fine returned to \$1.

² Statistic will be reported in the 4th quarter, based on information gathered periodically during the year.

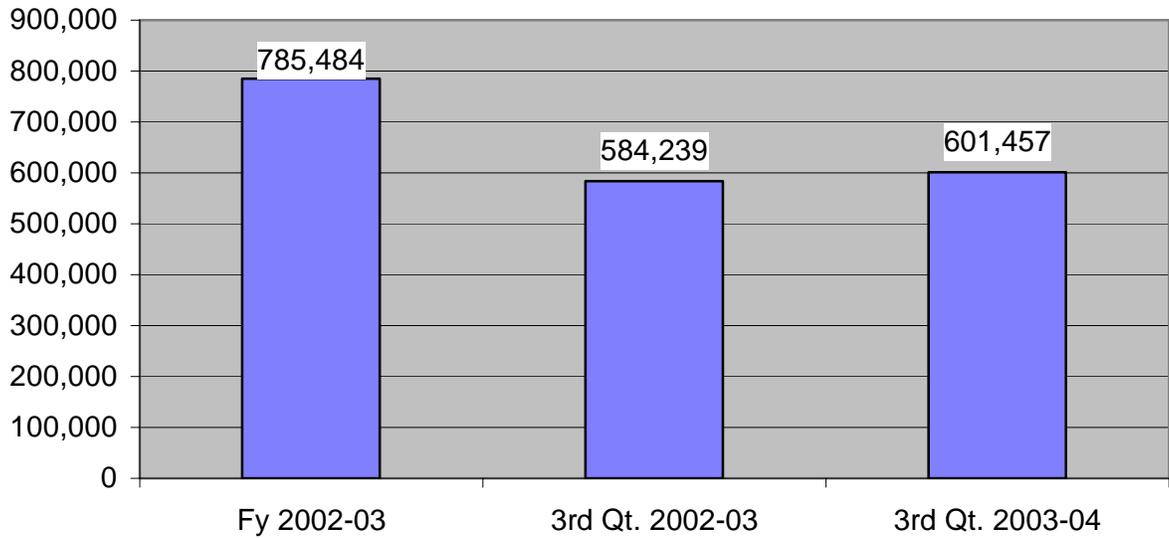
OBJECTIVES	PROGRESS/STATUS
To meet the informational, educational, and recreational reading needs of the community during the 68 hours the Library is open each week by: circulating books and other library materials (770,200; +2%); staffing the Reference Desk with two employees an average of 61 hours per week; supporting thirteen Internet terminals for reference; answering reference and readers advisory questions (104,000); staffing the Information Desk with volunteers an average of 40 hours per week.	601,547 books and materials circulated (+3%). The Children’s Desk handled 17,552 patron transactions. Children’s computers logged 5,006 users. Reference use surveys are done 3 times throughout the year and reported in the 4 th quarter.
Provide a well-balanced, up-to-date collection of library materials (148,000) which meets the reading and informational needs and interests of community by adding new, gift and replacement books to the collection.	10,134 materials were cataloged and added to the collection. 7,012 materials were withdrawn from the collection. 987 donations were added to the collection. Total current collection: 150,350 (+2.9%).
Stimulate interest in using the main Library by providing a variety of children’s programs: weekly pre-school story times, Times for Toddlers/Babies, after-school programs for elementary-aged children; monthly pajama story times, Teen Breakfast Clubs, Dial-A-Story services, and seasonal programs such as the Summer Reading Program.	4,054 children participated in 192 story times. 570 children attended the Summer Reading Program. 798 children kept Summer Reading Program records (+27%). 38 Dial-a-Story tapes were heard by 2,366 children. 530 individuals toured the Children’s Room. 886 children participated in 72 special activities.
Provide Outreach services to children 0-10 years of age by: providing materials for area daycare centers; adding 75 juvenile Spanish materials to the collection; and providing programs for children in local public housing areas upon request; and providing 12 programs during the year that target the culturally diverse community.	64 Spanish titles were ordered. 290 children attended a total of 14 multi-cultural programs.
Encourage support of the Library by volunteers and community groups including: supervising 40 volunteers (3,000 hours per year); providing staff support for Friends of the Library activities (4 annual book sales, 4 children’s programs, 6 Meet-the-Author Teas); providing staff support for the Chapel Hill Public Library Foundation activities.	Volunteers worked 1995 hours. Friends of the Library provided 3 book sales, 6 Meet-the-Author tea, 6 children’s programs and 4 Sunday Series programs for adults.

Geographic Analysis of Registered Library Users FY 2003-4



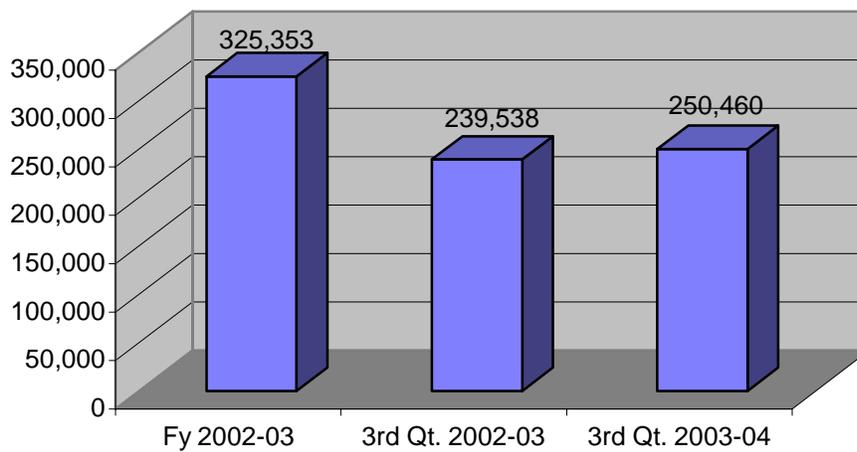
The total number of registered borrowers through the second quarter of FY 2003-04 is 26,410. An analysis of patron records shows that approximately 44% of the library’s patrons live outside of Chapel Hill.

Library Circulation 2003-04



Library circulation through the third quarter of FY 2003-04 was 601,457. This is 3% higher than last year.

Library User Count 2003-04



Patrons made over 250,000 visits to the library through the third quarter of FY 2003-04. This is a 4.6% increase from the same period last year.

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Expenditures	923,882	950,139	1,010,961	749,399	725,351	-3.2%
Expenditures as % of Budget					71.7%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
% of Council packets delivered to Mayor and Council on schedule	100%	100%	100%	100	100%	--
# of agenda packets produced (regular meeting, public hearing, public forum, work session)	54	50	48	36	40	+4
SAFETY PERFORMANCE						
Safety Training: # of staff hours of training (# of employees x training time)	--	--	--	5.0	5.0	--
Safety Inspections: # of hazards identified/ % of items mitigated	2/100%	3/100%	--	3/100%	4/100%	+1

OBJECTIVES	PROGRESS/STATUS
To assure that at least 95% of all citizens' requests received through the Manager's Office are resolved within 30 days of receipt.	We continue to handle requests on a timely basis within the 30-day objective.
To continue maintenance of a computerized index and retrieval system for Council minutes, contracts, and mailing lists of interested parties.	Indexing of Council minutes continues. Mailing lists, including electronic lists, are updated as new information is received.
To recommend a budget and capital improvements program in accord with the schedule adopted by the Council.	On August 26, the Council adopted a schedule and process for considering the budget, five-year capital program and Community Development grant application in 2004. The process includes public forums on January 28, and March 24. A public hearing has been scheduled for May 12, 2004, on the recommended budget and capital program.
To provide comprehensive and clear staff reports on all items placed on the Council's agenda by the Manager, so that there are no more than two items on which the Council delays a decision due to incomplete staff work.	There were no items in the 3 rd quarter on which the Council deferred a decision due to incomplete staff work.
Progress on priority safety projects named for this fiscal year.	N/A
Explanation of safety inspection items.	Building-wide (Town Hall) test of Duress Alarm System conducted in March; 5 employees received refresher training on safety procedures related to alarm system.

Parks and Recreation

Third Quarter, 2003-2004

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues	400,039	359,323	348,900	252,063	288,238	14%
Expenditures ¹	1,944,565	2,007,096	2,228,972	1,347,325	1,582,452	17%
Expenditures as % of Budget					71%	

ADMINISTRATION	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
% of budget spent/encumbered ¹	93%	94%	98%	63%	71%	12%
% of projected revenues recovered	106%	111%	98%	78%	82%	5%
Cost of providing fee waivers	94,825	78,078	70,000	71,034	68,987	-3%
# of Internal Maintenance & Repair Projects Completed	296	393	400	308	309	0%
# of facility/equipment rentals ²	223	228	500	132	540	309%

RECORDED USE OF MAJOR FACILITIES BY NUMBER OF HOURS AVAILABLE FOR UNSTRUCTURED ACTIVITIES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Community Center Pool - open/lap swim	3,086	2,863	2,800	2,101	2,222	6%
Community Center gym free play	2,676	2,707	2,900	1,862	1,977	6%
AD Clark Pool - open/lap swim ³	198	171	300	0	200	100%
Hargraves Center free play ³	799	108	200	0	1,407	100%
Northside Gym free play	2,290	2,360	3,000	1,781	1,783	0%
Lincoln Center Gym free play ⁴	1,153	1,039	1,000	589	864	47%
Rashkis Gym free play ⁵	n/a	n/a	600	n/a	305	n/a
TOTAL HOURS	10,202	9,248	10,800	6,333	8,758	38%

¹ Expenditures in FY 02-03 were lower than normal.

² We are using more accurate method of counting rentals.

³ Hargraves Center closed for capital renovations in FY 02-03.

⁴ There was no maintenance shutdown this year.

⁵ New gymnasium. Programming began in November 2003.

Parks and Recreation

Third Quarter, 2003-2004

SPECIAL EVENTS - Estimated Attendance	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Fall street fair – Festifall ¹	17,000	21,000	21,000	21,000	18,500	-11%
Tree Lighting Ceremony	1,750	n/a	1,500	n/a	n/a	n/a
Spring street fair-Apple Chill	38,000	34,000	25,000	n/a	n/a	n/a
4th July (est.) ²	10,000	500	15,000	500	22,000	4,300%

NUMBER OF CITIZENS PARTICIPATING IN REGISTERED PROGRAMS	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Teen Programs ³	4,989	5,263	5,000	4,055	6,427	58%
Community Center Programs	3,634	3,322	3,400	2,297	2,304	0%
Mainstreaming Programs	516	586	550	415	537	29%
Therapeutic Programs ⁴	n/a	213	400	59	499	746%
Summer Day Camps	346	341	400	341	364	7%
Hargraves Center Programs	13,771	18,575	17,000	14,364	12,924	-10%
Dance and Exercise Programs ⁵	2,658	2,973	2,600	2,248	1,800	-20%
Fine Arts Programs (Pottery & Theatre) ⁵	368	373	300	373	154	-59%
Community Events	2,490	1,865	2,000	1,385	1,485	7%
SUBTOTAL	28,772	33,510	31,650	25,561	26,494	4%

¹ Reflected national trend of reduced participation by artists in similar shows due to economy.

² 4th of July Event was scaled down due to budget constraints last year – this year moved back to Kenan Stadium.

³ We believe that a reduction in marketing resulted in lower participation last year. We increased marketing and made changes to the program.

⁴ Therapeutic program was a new program last year.

⁵ New RecTrac registration/data base software requires that we use different time periods for counting registrations compared to previous years. We believe that the differences between YTD 02 -03 and YTD 03-04 will be insignificant by year end.

Parks and Recreation

Third Quarter, 2003-2004

ATHLETICS - CLASSES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Adults (18 and older)						
Swimming ¹	92	106	120	72	248	244%
Tennis	127	98	100	64	75	17%
Youth (up to 17)						
Basketball	190	76	200	76	66	-13%
Softball	n/a	n/a	100	n/a	n/a	n/a
Swimming	703	719	700	469	384	-18%
Tennis	101	139	100	90	102	13%
NJTL ²	n/a	n/a	70	n/a	70	n/a
Sports Camps ³	141	64	90	50	0	n/a
Punt/Pass/Kick ⁴	28	50	50	50	17	-66%
Lacrosse			n/a	n/a	16	n/a
SUBTOTAL	1,382	1,252	1,530	871	1,058	21%
ATHLETICS - LEAGUES						
Adults (18 and older)						
Basketball	390	390	400	390	405	4%
Softball ⁵	680	600	600	140	100	-28%
Tennis	14	n/a	20	16	12	-25%
Youth (up to 17)						
Basketball	722	868	800	868	856	-1%
Softball-Baseball	570	465	500	n/a	n/a	n/a
SUBTOTAL	2,376	2,323	2,320	1,414	1,293	-9%
TOTAL PARTICIPATION	32,530	37,085	35,500	27,846	28,845	4%

¹ Includes Deep Water Aerobics (a new drop-in program).

² New program this year.

³ Cancelled due to low registration.

⁴ Low registration.

⁵ Co-rec softball had two fewer teams register.

SAFETY PERFORMANCE	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Safety Training (Number of hours) (# of employees X # of hours trained)	62.75	48.25	50	26	43.25	66%
Safety Inspections: Total number of inspections	67	57	60	47	55	17%
Safety Mitigation: (# of hazards identified and # of items mitigated) “fd”=found “res”=resolved ¹	34 fd 29 res	23 fd 21 res	20 fd 20 res	15 fd 15 rd	26 fd 19 rd	73% 27%
Safety Mitigation: % mitigated	85%	91%	100%	100%	73%	-27 %
Hours lost through injury ²	0	0	0	0	111.25	100%

SAFETY OBJECTIVES	PROGRESS/STATUS
Community Center- Modify procedures requiring that Center staff always have at least 2 persons on duty, especially at night.	Building hours modified to close at 9pm M/W/F.
Community Center—Replace or eliminate swimming pool diving board	Completed.
Purchase removable stanchions to direct traffic entering and leaving the facility to encourage compliance with check-in protocol	Received and will begin using when Fall programs begin.
Community Center-- Replace slippery pool tiles to prevent injuries during exercise classes and flip turns during lap swimming	Completed.
Community Center—Coordinate MSDS book for the cabinet used primarily for Internal Services supplies while that are at the Center	Completed.
Main office—update safety inspection reports for all facilities	Completed.
Main office-Administrative Secretary, Office Asst. and Office Manager will complete the workstation self-inspection checklist & ergonomics of work space	Completed.
Purchase cordless headsets for front office staff	Completed.
Have the missing pool deck tile areas repaired to avoid injuries	Postponed to next fiscal year.
Secure outside kayak storage shed	Completed.

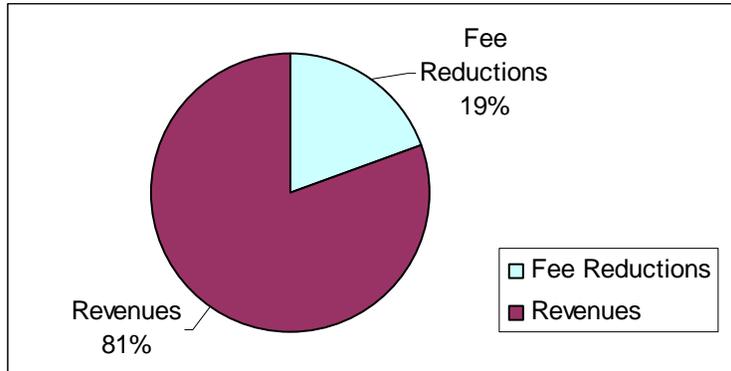
¹. Ceiling leak in gym cannot be located; need to replace missing pool deck tiles.

² Desk Attendant (DOI 8-7-03) Accident Leave.

2003-04 Program Revenues
Parks and Recreation Department

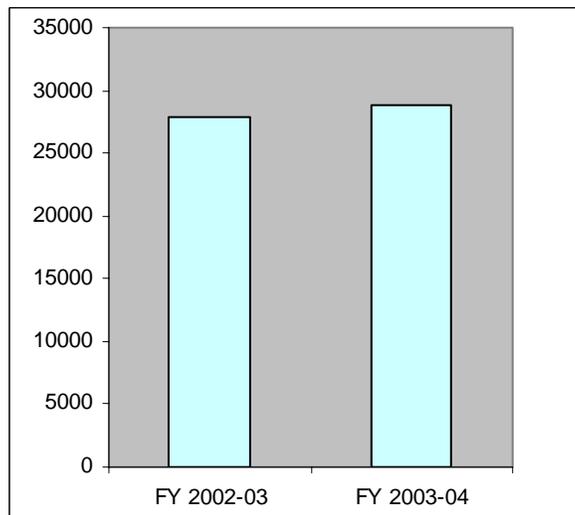
Total Fees Waived: \$68,987
\$288,238

Total Fees Collected:



Fees are collected, admission to pools, rental of facilities, and concessions. The Town reduced fees to allow low-income citizens to participate in these activities. Most fee reductions are granted for camps, afterschool programs and small classes and programs at the Hargraves Center.

Registered Program Participation



Reported program levels increased 4% from last years third quarter. However, some of this increase may be due to a different method of counting program registrants. The change in methods was necessitated by

the purchase of a new registration/data base program.

PLANNING BUDGET: REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Revised Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues	218,839	188,691	297,300	118,691	246,338	+108%
Expenditures	1,030,382	956,137	1,190,307	516,023	724,219*	+40%
Expenditures as % of Budget					61%	

*Reimbursement of 1/2 Transportation Planner's personnel costs from Transportation grant funds pending.

COMMUNITY DEVELOPMENT BUDGET EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Expenditures*	407,879	484,450	728,250	361,171	255,872	-29%

*Community Development expenditures reflect expenditures from multiple years of Community Development grants.

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03		YTD 02-03	YTD 03-04	Change From Prior Year
NEW DEVELOPMENT REQUESTS						
Master Land Use Plans	0	0		0	0	no change
Development Plans	0	1		0	0	no change
Site Development Permits for above	0	6		0	1	na
Subdivisions	15	21		4	9	125%
New Lots in above:	45	152		18	83	+361%
Special Use Permits, and Site Plan Reviews	45	28		12	25	108%
Proposed square footage for above:						
Office Square Feet	208,397	47,945		20,000	103,745	
Institutional Square Feet	122,475	31,560		0	27,000	
Commercial Square Feet	<u>144,363</u>	<u>10,730</u>		<u>291</u>	<u>78,772</u>	
Totals:	475,235	90,235		20,291	209,517	+932%
Multi-Family Dwelling Units	0	282		0	151	na
Concept Plans	13	14		2	7	+250%
Zoning Map Amendments	3	2		1	1	no change
Zoning Compliance Permits (SF/2F)		143		0	314	na
Zoning Compliance Permits (other)	19	28		0	37	na
Development Ordinance Text Amend's	2	2		0	5	na
Sign Plan Reviews	34	72		19	39	105%

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 02-03	Actual 02-03	YTD 03-04	Change From Prior Year
Variances and Appeals	3			1	4	+300
Certificates of Appropriateness	55			14	25	79%
Annexations: Petitions	0			0	1	na
Town-initiated	0			0	0	no change

OBJECTIVE	PROGRESS/STATUS
Evaluate development proposals to determine whether they meet all development regulations, and to assist advisory boards and Town Council in their review.	One hundred sixty-five (165) applications for development permits received from January 1, 2004 through March 31, 2004.
Long Range Planning Projects	
Implement Joint Planning Agreement with Orange County.	<p>Chapel Hill revisions to Comprehensive Plan heard at 4/11/01 hearing. Orange County approved Plan on October 1, 2003.</p> <p>Joint Planning Public Hearing held 10/15/03 on two rezoning proposals. Review pending.</p> <p>Joint Planning Public Hearing held 3/29/04 on proposal to change the Southern Transition Area to Rural Buffer, and to rezone the area to Rural Buffer.</p>
Continue Cooperative planning initiatives with Chatham County, Durham City/County, and University of North Carolina	Durham/Chapel Hill work group meeting quarterly. Emphasis on Durham-Chapel Hill-Carrboro Thoroughfare Plan, New Hope Corridor Study, 15-501 Corridor Study, and development proposals. Joint meetings held with Chatham County. Work completed to formalize a planning agreement among Durham City, Durham County, and the Town of Chapel Hill.
Implement key portions of Chapel Hill's Comprehensive Plan: <ul style="list-style-type: none"> - Action Plan - Downtown Small Area Plan (adopted 3/27/00) - Growth Management Report 	<p>Working to implement Action Plan items. Fourth Annual report on Action Plan submitted 11/10/03.</p> <p>Prepared analysis of status of Action Plan for Council's retreat on 1/15/04. Council adopted 2004 Goals on 2/23/04.</p> <p>Working with Council Committee on Parking Lots 2 and 5 (see below).</p>
Continue efforts to annex developed land in Town's Urban Services Area	<p>Two annexations petitions received and submitted to Council on 8/25/03. The Council held a public hearing for 10/20/03 to consider annexing Avalon Park, and authorized annexation on 11/10/03. The Council took no action on a petition to annex the proposed Chapel Watch Village development.</p> <p>No Town-initiated annexations scheduled this year.</p>

OBJECTIVE	PROGRESS/STATUS
<p>Capital Improvements Program (CIP)</p> <p>2003 Bond Program Implementation</p>	<p>Worked with Finance Department to publish the Adopted Budget for 2003-2004 and Capital Improvements Program for 2003-2018.</p> <p>Planning underway for the 2004-2019 Capital Program. The Preliminary Capital Program was sent to Council on 3/24/04, and a public forum held. Proposal referred to advisory boards.</p> <p>Prepared schedule and plan for implementation of 2003 Bonds for Council review at 3/30/04 work session.</p>
<p>Town Comprehensive Plan Data Book</p>	<p>Work completed on publication of the Fifth Edition 2003 Data Book. Work underway on the Sixth Edition, to be published in spring 2004.</p>
<p>Geographic Information System development</p>	<p>Staff participating with Engineering Department in developing applications for the system.</p>
<p>Million Solar Roofs</p>	<p>Annual report and Council reauthorization on 9/23/02 request submitted on 10/8/03. Grant application submitted November, 2001 awarded \$4,000 in November, 2002. Additional grant funding request submitted October, 2003; funding in the amount of \$10,800 awarded. Providing staffing to Committee for bimonthly meetings.</p>
<p>Intergovernmental Council for Local Environmental Initiatives (ICLEI)</p>	<p>Proposal to prepare inter-jurisdictional emissions plan under discussion, with funding from the Durham-Chapel Hill Metropolitan Planning Organization and local match funds. Request for Qualifications issued by Orange County, and proposals received are under review.</p>
<p>Council Committee on Parking Lots 2 and 5</p>	<p>Council committee on Parking Lots 2 and 5 met on September 9 and 23, 2002, October 9, 2002 and November 11, 2002 to consider next steps. On 2/24/03, the Council agreed to issue an RFP for economic development consultant services. On 4/28/03 Council authorized proceeding with an RFQ/RFP process. Twelve submittals for the Request for Qualifications were received by 5/30/03. On 6/23/03 the Council Committee selected four firms to submit full Requests for Proposals, due 7/30/03. In August, the Council Committee held interviews with the four firms, and authorized the Manager to continue discussions with one firm.</p> <p>Council held a work session on 10/08/03. On 10/27/03 the Council authorized a contract for economic development consulting services with John Stainback. On 11/20/03, the Council Committee sponsored a public meeting on the project. On 11/24/03 the Council authorized additional funds for a market study, upon the recommendation from the Council Committee meeting of 11/21/03. The Committee met on 12/16/03 with Economic Research Associates, a subcontractor performing the market study.</p>

OBJECTIVE	PROGRESS/STATUS
Council Committee on Parking Lots 2 and 5 (contd.)	Council Committee met on 3/1/04 and 3/22/04 to review drafts of the market study. Market study now complete. Council public forum held on 3/22/04. Council to consider next steps on 4/14/04.
Greene Tract Work Group	<p>Provided staff support to inter-jurisdictional work group looking at future use of 109 remaining acres of Greene Tract. Work Group completed its discussions on 6/26/02. Planning Board review on 8/20/02 and 10/15/02. Council adopted 11/11/02.</p> <p>Next steps are pending.</p>
Emily Partin Sewer Lines	Report to Council on 3/8/02 concerning petition. Attended OWASA meeting with neighbors on 6/18/02. On 9/23/02 the Council expanded the availability of the Water/Sewer Reserve fund. Prepared budget work paper on 4/30/03. OWASA discussions with neighborhood are continuing.
Council Committee on Energy, Environment and Sustainability	<p>Committee developed charge and reported to the Council on 2/24/03. Energy work session held on 3/19/03. Committee proposed green infrastructure bond on 4/28/03, and made a recommendation on potential projects and amounts to Council on 5/28/03.</p> <p>Committee obtained Council authorization for a sustainable community development grant proposal on 5/12/03. Grant submitted to State of North Carolina; Carolina; notified of project grant award in 3/04 in amount of \$91,200. Project grant budget established 3/22/04.</p> <p>Council Committee now planning implementation of energy bonds approved by voters in November, 2003 and implementation of grant funding.</p>
Horace Williams Advisory Committee	<p>Council Committee developed proposal for citizen's committee for Council consideration on 10/07/02. Staff assistance provided to citizens' committee. Council appointed 22 Committee members, and the Committee began meeting on 3/4/03. First report to Council submitted 6/9/03.</p> <p>Committee presented its Goals and Principles on 8/25/03 to the Council, and presented its completed report on 10/08/03. The Council held work sessions on 11/10 and 11/24/03, and asked the Committee to make additional review comments. The Committee met on 12/18/03 and 1/15/04 to complete a revised report. Final report presented to Council on 1/28/04. Council held a public forum on 3/1/04. Council accepted report on 3/22/04, and authorized its transmittal to the University of North Carolina.</p>

OBJECTIVE	PROGRESS/STATUS
Northside Neighborhood Conservation District Advisory Committee	On 2/24/03, the Council authorized proceeding with developing a Northside Neighborhood Conservation District proposal. The Council appointed a citizen's advisory committee and approved a process for developing the District on 4/14/03. The Advisory Committee met between May and November; meetings were held the first and third Thursday of each month. The Committee presented a status report to the Council on 9/22/03, held a work session with the Planning Board on October 30, held a meeting to receive public comment on 11/20, and presented its recommendations to the Council on 11/24. A public information meeting was held on December 15. On December 16 the Planning Board voted 5-1 to recommend that the Council approve a Zoning Atlas Amendment to create a Neighborhood Conservation District for the Northside neighborhood. On January 21, 2004, the Council held a public hearing to receive citizen comments on the proposal to create a Neighborhood Conservation District for the Northside Neighborhood. The Northside Neighborhood Conservation District Advisory Committee held a design charrette on February 7, 2004. Guidelines for the Northside Neighborhood Conservation District were approved by the Council on February 23, 2004. The Committee's final task is to develop design guidelines for the neighborhood. This process is underway.
Schools and Land Use Council	Provided staff assistance to monthly meetings of the Schools and Land Use Council as it considered the creation of an adequate public facilities ordinance. With adoption of the ordinance in July, 2003, the focus of the committee has shifted to implementation. Last meeting of the Committee held on 1/14/04. Orange County announced the completion of the work of the Committee this quarter.
Transportation Modeling	Began work in coordination with City of Durham to revise model networks for 2030 Plan Update.
Development Review	Prepared analysis of development proposals, including comprehensive plan, roadway, transit, bicycle/pedestrian impacts. Provided staff support to Transportation Board.
Transit Ridership Survey	Reviewed data and draft final report from consultant.
Short-Range Transit Plan	Worked with University and Carrboro to refine possible service changes for 2004-2005 service year. Reviewed data from ridership surveys. Update ridership database.
Pedestrian/Bicycle Planning	Continued work on implementing Capital Improvements Program and annual sidewalk/bicycle plan. Council authorized continuing to work on priorities adopted by the Council in 2002 as the annual plan for 2003 on 9/22/03.

OBJECTIVE	PROGRESS/STATUS
Pedestrian/Bicycle Planning (contd.) Bicycle and Pedestrian Action Plan	Council approved a process and schedule for undertaking a Bicycle and Pedestrian Action Plan on 9/8/03. Open House held on 10/09/03 with a follow-up held on 01/14/04. Sidewalk work group meeting monthly, consisting of Bicycle and Pedestrian Advisory Board and liaisons from other advisory boards.
Transportation Improvement Program (TIP)	Worked with MPO to develop regional transportation priority list. Presented draft regional list to Town Advisory Boards and prepared items for 3/22/04 Council meeting.
US 15-501 Corridor Study	Met with TTA staff to review options for beginning federal NEPA process. Prepared proposal to map transit corridor and monitor development within the corridor.
NC54/I-40 Transit Corridor Study	Reviewed NCDOT I-40 HOV Report.
Air Quality Response Program	Continued to monitor implementation of federal clean air standards. Coordinated with MPO and TJCOG on State designation of new non-attainment areas. Worked with Carrboro and Orange County on Greenhouse Gas Audit.
Triangle Transit Authority Fixed Guideway Study	Monitored implementation of Phase I rail system.
Regional Transportation Planning	Worked with Durham-Chapel Hill-Carrboro Transportation Advisory Committee and Technical Coordinating Committee on various regional projects. Presented information to Homestead Road/High School Road Committee.
Active Living By Design Grant	Attended grantees meeting in Washington, D.C. Coordinated with funding agency and Partnership Group.
Regional 2030 Transportation Plan	Reviewed model networks and schedule for preparing 2030 Plan update. Council held public forum on 1/12/04 and approved population and employment projections on 1/28/04.
I-40 Congestion Management Study	Continued discussion with CAMPO for joint MPO meeting to review next steps.
Transportation Management Plan (TMP)	Monitored collection of new TMP data and continued collection of 2003 survey.
Regional Transit Consolidation Study	Participated on regional staff committee with representatives from other transit providers.

OBJECTIVE	PROGRESS/STATUS
<p>COMMUNITY DEVELOPMENT PROGRAM</p>	
<p>2004-2005 Activities: On February 2 and March 24, 2004 the Council held public hearings on how to spend \$711,000 of 2004-2005 Community Development funds. The Council is scheduled to approve a final Community Development Plan on April 26, 2004.</p>	
<p>Public Housing Renovation - \$221,000 Coordinate use of Community Development funds with Comprehensive Grant funds.</p>	<p>\$165,500 is being used to renovate the Airport Gardens public housing community. Design work is underway. \$13,048 spent to date. \$50,000 was also budgeted for the public housing refurbishing program. Program is underway; \$24,261 spent to date. \$6,000 budgeted to repair and replace playground equipment at various public housing sites.</p>
<p>Comprehensive Rehabilitation - \$150,000 Provide deferred rehabilitation loans to lower income households in the Northside neighborhood.</p>	<p>The Council is scheduled to approve program guidelines on April 14, 2004. We will contract with Orange County Housing and Community Development to oversee the rehabilitation work and the Town will be responsible for the administration portion of the program.</p>
<p>Neighborhood Revitalization - \$115,750 Eligible activities include second mortgage assistance, property acquisition or renovation, public improvements, or community service activities. Activities must serve households earning less than 70% of the area median income, and must serve households living in the Northside, Pine Knolls, or public housing communities.</p>	<p><u>Police Summer Work Program:</u> \$20,000 of these funds was reserved for the Police Department Summer Work Program. The Summer Work Program is complete. 21 youths participated in the program that placed youths in various Town Departments and with several non-profit organizations. Left over funds and additional funds will be used to continue the program through the school year.</p> <p><u>Other Projects:</u> Remaining funds will be used for eligible neighborhood revitalization projects, and will focus on public improvement activities in the Northside neighborhood. Upcoming project include replacing the fence around the pool at the Hargraves Center, replacing the roofs at the Oakwood public housing community and South Estes Drive</p>
<p>Affordable Rentals, Inc. \$80,000</p>	<p>In January 2004, funds were used to purchase an apartment in the Tyler Creek apartment complex on Airport Road in Chapel Hill. The unit will be used as permanently affordable rental housing for a household earning between 30% and 50% of the area median income.</p>
<p>Community Service Programs - \$41,500 Provide community service activities to low- and moderate-income citizens.</p>	<p><u>Orange County Family Resource Center:</u> \$15,000 was budgeted to operate an after school enrichment program at the South Estes Drive Family Resource Center located in the South Estes Drive Public Housing community. Program is underway. 13 children enrolled. \$7,500 spent to date.</p>

OBJECTIVE	PROGRESS/STATUS
<p>Community Service Programs - \$41,500 (continued) Provide community service activities to low- and moderate-income citizens.</p>	<p><u>Orange County Literacy Council</u> – \$13,500 was budgeted to the Literacy Council to continue to operate computer based literacy programs and GED training in public housing communities and to lower income residents. \$2,855 spent to date. Currently, the program is on hold due to changes in personnel.</p> <p><u>YMCA</u> - \$13,000 was budgeted to the YMCA to continue to provide free after school programs for children living in the Pine Knolls neighborhood and South Estes Drive public housing communities. Program is underway. 11 children enrolled.</p>
<p>Administration - \$120,000</p>	<p>Funds are used for the Community Development Coordinator’s salary, a portion of the Long Range Planning Coordinator’s salary, a contract Program Monitor position, and program administration. \$74,442 spent to date.</p>
<p>2002-2003 Activities: On January 29 and March 26, 2002 the Council held public hearings on the 2002-2003 Community Development program. The Council adopted a recommended 2002-2003 Community Development program on 4-22-03.</p>	
<p>Public Housing Renovation - \$170,000 Coordinate use of Community Development funds with Comprehensive Grant funds.</p>	<p>\$115,000 is being used to renovate the Airport Gardens public housing community. Design work is underway. \$26,775 spent to date. \$55,000 was also budgeted for the public housing refurbishing program. Program is complete and all funds spent.</p>
<p>Habitat for Humanity - \$17,000</p>	<p>\$17,000 will be used by Habitat for Humanity to acquire property adjacent to property Habitat currently owns on Rusch Road (off of Rogers Road).</p>
<p>Community Service Programs - \$30,500 Provide community service activities to low- and moderate-income citizens.</p>	<p><u>YMCA</u> - \$13,500 was budgeted to the YMCA to continue to provide free after school programs for children living in the Pine Knolls neighborhood and South Estes Drive public housing communities. Program is complete. 12 children enrolled in the program. All funds spent.</p> <p><u>Orange County Literacy Council</u> – \$11,500 was budgeted to the Literacy Council to continue to operate computer based literacy programs and GED training in public housing communities and to lower income residents. Program is underway at Trinity Court public housing community. To date, \$8,551 has been spent.</p> <p><u>Chapel Hill Police Department</u> - \$5,500 was budgeted to the Chapel Hill Police Department to sponsor a summer work program for youths living in the Pine Knolls, Northside and public housing communities. An additional Program is complete. 14 youths participated in the 02-03 program. Remaining funds used for the 03-04 Program is complete. 21 youths participated in the 03-04 program. All funds spent.</p>

OBJECTIVE	PROGRESS/STATUS
<p>Administration - \$75,000</p>	<p>Funds are used for a portion of the Community Development Coordinator's salary, a portion of the Long Range Planning Coordinator's salary, a contract Program Monitor position, and program administration. All funds spent.</p>
<p>2001 – 2002 Activities: Public hearings held on January 23 and March 28, 2001 to receive comments on the use of \$441,000 of federal funds and \$35,000 of program income. On 4/23/01 the Council approved submittal of an Annual Update to the Consolidated Plan to the U.S. Department of HUD and the following activities: Public Housing Renovation (\$170,000), Meadowmont Affordable Townhomes (\$80,000), Neighborhood Revitalization (\$80,000), Habitat for Humanity (\$50,000), Community Service Programs (\$20,000), Program Administration (\$76,000). All funds spent except for Public Housing Renovation (\$25,279), Neighborhood Revitalization (\$6,000), and Habitat (\$19,682).</p>	
<p style="text-align: center;">HOME PROGRAM ACTIVITIES</p> <p>Coordinate Grant activities with the Orange County HOME Consortium (Chapel Hill, Carrboro, Hillsborough, Orange County).</p> <p>On October 23, 2000, the Council authorized participation in the Orange County HOME Program Review Committee and appointed Council Member Edith Wiggins to serve as the Town's representative to this Committee. The purpose of the Committee is to allow elected officials to be more involved in the process of evaluating proposals and developing the annual HOME Program plan each year. The Committee will also provide the Council with regularly updated information on the status of HOME funded programs.</p>	
<p>2004-2005 Activities: On February 2 and March 24, 2004, the Council held public hearings on the use of \$905,336 of HOME Program funds (grant \$739,050; match - \$166,286). The Council is scheduled to adopt a 2004-2005 HOME Program Plan on April 26, 2004. The plan will also be approved by the other participating jurisdictions.</p>	
<p>Comprehensive Rehabilitation - \$277,040</p>	<p>Funds will be used to rehabilitate low-income owner occupied housing in Orange County. \$37,040 spent to date.</p>
<p>Second Mortgage Assistance - \$225,000</p>	<p><u>Habitat for Humanity:</u> \$150,000 was budgeted to Habitat for Humanity to provide second mortgages for ten homebuyers earning less than 50% of the area median income. Homes will be located in the Richmond Hills Subdivision in Efland. \$40,000 spent to date.</p> <p><u>Community Revitalization:</u> \$75,000 was allocated for second mortgage assistance. Qualified non-profit organizations could use funds for property acquisition and renovation of property for first time homebuyers earning less than 80% of the area median income.</p>
<p>Property Acquisition - \$220,000</p>	<p><u>Affordable Rentals, Inc.:</u> \$188,000 was budgeted to Affordable Rentals to purchase a seven unit apartment building on Fidelity Street in Carrboro. The building was purchased in November 2003 and all funds have been spent.</p> <p><u>Town of Chapel Hill:</u> \$32,000 was budgeted to the Town to purchase an additional house Transitional Housing Program. The Town has not yet identified a house to purchase with these funds.</p>

OBJECTIVE	PROGRESS/STATUS
<p>Downpayment Assistance - \$100,000</p>	<p>Orange Community Housing and Land Trust will use \$100,000 budgeted to provide Downpayment assistance for 10 first time homebuyers in the Greenway Condominiums project in Meadowmont for first time homebuyers earning less than 80% of the area median income. All funds have been spent. The Land Trust purchased a 16-unit building on 12/15/03. The Land Trust has sold 7 of the 16 condos have been sold, and has contracts on 3 additional units. One bedroom units selling for \$80,000 - \$90,000.</p>
<p>Operational Support - \$10,000</p>	<p>\$10,000 provided to Orange Community Housing and Land Trust for administrative costs related to developing the Greenway Condominium project.</p>
<p>Administration - \$73,959</p>	<p>Funds appropriated to the Orange County Housing and Community Development office for administration of the program.</p>
<p>2002-2003 Activities: On January 29 and March 26, 2002, the Council held two public hearings on the use of \$663,217 of HOME funds for 2002-2003.</p> <p>The Council and other members of the HOME Consortium approved the following activities for the 2002-2003 HOME Program:</p>	
<p>Property Acquisition - \$248,117</p>	<p><u>OPC Mental Health</u> - \$75,000 budgeted to acquire and renovate properties for clients with severe disabilities earning less than 30% of area median income. Funds used to purchase a house on Roosevelt Drive in Chapel Hill. All funds spent.</p> <p><u>Residential Services</u> - \$75,000 budgeted to Residential Services Inc. to purchase a house in Orange County for individuals with autism. Property not yet identified.</p> <p><u>Affordable Rentals Inc.</u> - \$70,000 budgeted to purchase a duplex on McMasters St. Property will be used as permanently affordable rental housing for residents with incomes between 30% and 50% of the area median income. Affordable Rentals has entered into a Development Agreement with the County for these funds. Property purchased in March 2003. All funds spent.</p> <p><u>Town of Chapel Hill</u> - \$28,117 budgeted to purchase a house for the Town's Transitional Housing Program. The Town is in the process of identifying a house for this program.</p>

OBJECTIVE	PROGRESS/STATUS
Down Payment Assistance - \$77,000	Funds will be used by Orange Community Housing and Land Trust to provide down payment assistance for 15 first time homebuyers in the Vineyard Square (formerly The Homestead) and 7 homes in the Larkspur subdivisions in Chapel Hill. Funds will be available to first time homebuyers earning less than 80% of the area median income. Homes are not yet ready for sale.
New Construction - \$50,000	Funds will be provided to Habitat for Humanity to partially fund the construction of infrastructure for a development on Rusch Road. Habitat intends to construct 12 single family homes and 3 duplex rental units on the site.
Homebuyer Assistance - \$140,000	<p><u>EmPOWERment</u> - \$100,000 was budgeted to EmPOWERment to provide second mortgage assistance to households throughout Orange County earning less than 80% of the area median income. The County has entered into a Development Agreement for this project. \$80,000 spent to date.</p> <p><u>Habitat for Humanity</u> - \$40,000 awarded to Habitat to provide deferred second mortgages for 3 homebuyers earning 50% of the area median income. Funds will be used to build a house on Creel Street in Carrboro. \$30,000 spent to date.</p>
Community Revitalization - \$100,000	Funds will be provided to qualified non-profit organizations for property acquisition and renovation for first time homebuyers earning less than 80% of the area median income. Properties will be located throughout Orange County.
Administration - \$48,100	Funds were allocated to the Orange County Housing and Community Development Department for administration of the Program.
<p>2001-2002 Activities: On January 23 and March 28, the Council held two public hearings on the use of \$743,475 of HOME Program funds for 2001 – 2002. Council approved a Plan on 4/23/01. The County Commissioners, and the Boards of Carrboro and Hillsborough also approved the Plan before it was submitted to the U.S. Department of Housing and Urban Development on May 15, 2001.</p> <p>The Council and the governing bodies of Carrboro, Hillsborough and Orange County approved the following activities for the 2001-2002 HOME Program:</p>	
Property Acquisition - \$328,625	<u>Town of Carrboro:</u> \$120,000 will be used by the Town of Carrboro to purchase condominium units in Abbey Court (Old Well). Properties would be renovated and sold to first time homebuyers. Carrboro is working with Orange Community Housing to purchase, renovate and sell these properties. The County has entered into a development agreement with Carrboro for this project. In November, \$105,000 was used to purchase a 2 bedroom condo on North Greensboro Street in Carrboro. The unit will be sold by the Land Trust for \$85,000.

OBJECTIVE	PROGRESS/STATUS
<p>Property Acquisition - \$328,625 (continued)</p>	<p><u>Town of Chapel Hill</u>: the Town used \$100,000 to purchase a house on Merritt Mill Road for the Transitional Housing Program. All funds spent.</p> <p><u>OPC Mental Health</u>: \$58,625 was budgeted to OPC Mental Health to purchase and if necessary renovate property in Orange County. The property would be rented to lower income individuals. Funds used to purchase property on Roosevelt Drive in Chapel Hill. All funds spent.</p> <p><u>EmPOWERment</u>: \$50,000 was budgeted to EmPOWERment to purchase low-cost condominiums in Orange County.</p>
<p>Land Acquisition - \$130,000</p>	<p><u>Residential Services</u>: Residential Services will use \$100,000 to develop a continuing care facility for senior citizens. Construction of Spring Glenn assisted living facility on Mt. Herman Church Road is complete. All funds spent.</p> <p><u>Orange Community Housing and Land Trust</u>: The Land Trust will use \$30,000 to purchase land to build 2 homes on Dillard Street in Carrboro. \$18,140 spent to date to purchase one house.</p>
<p>New Construction - \$100,000</p>	<p><u>Orange Community Housing and Land Trust</u>: \$80,000 was budgeted to the Corporation to assist with the development of the Meadowmont Townhomes. Construction is complete. All funds have been spent for site work for this project.</p> <p><u>Habitat for Humanity</u>: \$20,000 was budgeted to Habitat to pay for costs related to the extension of sewer to a lot in Carrboro. Habitat has since requested to use these funds in the Chestnut Oaks subdivision.</p>
<p>Homebuyer Assistance - \$69,750</p>	<p>EmPOWERment will use funds to provide second mortgage assistance to households throughout Orange County. Funds used to assist 7 homebuyers – 3 in Orange County, 2 in Hillsborough and 2 in Chapel Hill. The County has entered into a development agreement with EmPOWERment for the balance of funds.</p>
<p>Other Housing Projects</p>	
<p>Orange Community Housing and Land Trust</p>	<p>Continued work with the Orange Community Housing Corp. to produce affordable housing opportunities in Chapel Hill such as the Legion Rd. Townhomes, Meadowmont Townhomes. The Land Trust continues to work with the developers of several projects to administer Council imposed affordable housing requirements. The Land Trust is also working with the Town and EmPOWERment to purchase sell homes in the Sykes Street area, Tandler and Culbreth Park. In December 2003, we worked with the Land Trust to re-sell a Culbreth Park home to a first time homebuyer. In addition, The Land Trust continues to work with for-profit developers to market and sell Council-mandated affordable homes in developments such as Larkspur, Greenway Condominiums and Vineyard Square. The Land Trust had a work session with the Council on March 30, 2004.</p>

OBJECTIVE	PROGRESS/STATUS
Other Housing Projects (continued)	
Sykes Street Action Strategy	The Committee is currently working with the Northside Community Association and the Town to develop regulations for a Neighborhood Conservation District for the Northside neighborhood. The Committee worked with the Police Department to develop activities for National Night Out on August 6, 2003.
Work Session with Orange County on Affordable Housing	On November 20, 2003, the Town Council met with the Orange County Board of Commissioners and affordable housing providers to discuss funding sources, and future needs.
Affordable Rentals, Inc. Contract	The Council authorized \$10,000 from the general fund for administrative costs Jan-June, 2004 on 1/12/04.

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Revenues	425,690	497,236	439,835	453,182	148,450	-67%*
Expenditures	8,301,143	8,288,882	9,650,604	5,892,752	6,391,495	+8%**
Expenditures as % of Budget					665	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
PATROL SERVICES						
# calls for service	26,278	24,778	25,750	18,963	19,915	+5%
CRIME						
Reported Major Crimes						
Personal crimes						
Homicide	0	1	0	1	0	-100%
Rape	10	4	10	3	11	+267%***
Robbery	91	81	80	59	75	+27%****
Aggravated assault	119	113	110	88	76	-14%
Property crimes						
Burglary/break-in	527	432	500	326	418	+28%
(residential)	(346)	(311)	(325)	(229)	(266)	(+16%)
(non-residential)	(181)	(112)	(175)	(97)	(152)	(+57%)
Larceny	1,873	1,892	1,700	1,412	1,203	-15%
(vehicle break-in)	(784)	(819)	(600)	(626)	(401)	(-36%)
Motor vehicle theft	102	107	100	91	55	-40%
Total Major Crimes	2,722	2,630	2,500	1,980	1,838	-7%
% of major crimes cleared by arrest or exceptional means						
Personal crimes	48%	46%	50%	50%	46%*****1	-4 pct pts
Property crimes	13%	26%	25%	13%	8%*****	+5 pct pts
JUVENILE						
# of offenses involving youth under 18 years of age as victim	288	384	350	259	281	+8%
# of offenses involving youth under 16 years of age, as suspect	258	249	280	205	219	+7%

* Grant funds will be received in the fourth quarter.

** The 8% increase is due the fact that there are fewer police officer vacancies this fiscal year.

*** There was a large percentage increase in reported rapes, however it is one of the most under-reported crimes. The increase of eight more rapes likely reflects an increase in reports to the police, not an increase in occurrences. Only one of the rapes was committed by someone who was a stranger to the victim.

**** Firearms were used in 45% of the robberies as compared to 31% last year. 19% of the robberies occurred at residences while last year 7% occurred at residences.

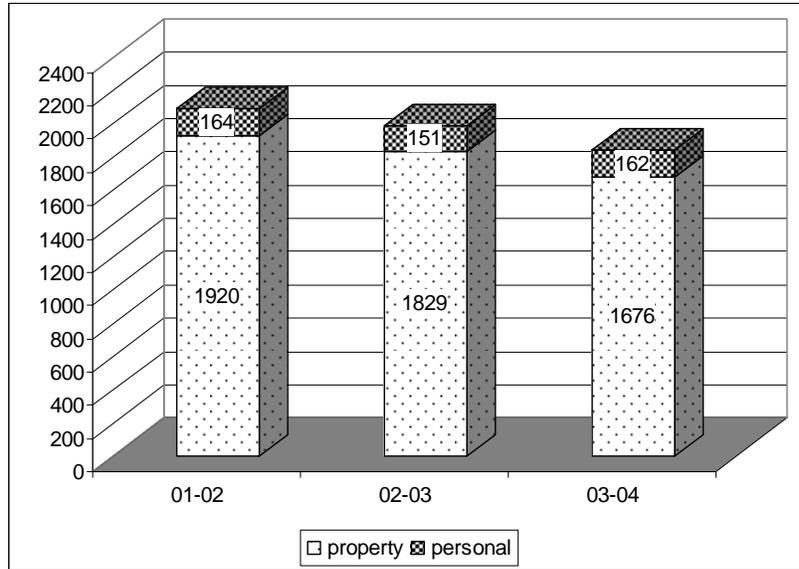
***** The statewide clearance rate in 2002 for personal crimes was 53% and 19% for property crimes.

	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
NARCOTICS AND ALCOHOL ARRESTS						
# of drug charges	363	242	225	265	272	+3%
Total # of alcohol charges						
# of underage possession of alcohol	67	71	80	63	65	+3%
# of use of false identification	9	11	10	8	18	+125%
# of other (non-traffic) alcohol charges	20	9	5	8	23	+180%
# of citations for violation of Town ordinance regarding public consumption or possession of alcohol	87	59	125	59	56	-5%
OTHER ARRESTS						
Panhandling	2	7	25	7	16	+128%
TRAFFIC						
# traffic citations issued	3,615	3,448	3,750	2,587	2,489	-4%
# DWI arrests	385	281	325	209	277	+32%
Total # traffic collisions	2,313	2,134	2,200	1,595	1,650	+4%
# involving bicyclist	22	17	15	12	7	-41%
# involving pedestrian	24	18	15	15	15	same
# of injuries	532	529	525	389	327	-16%
# of fatalities	4	1	0	1	1	same
# on private property with no injury	660	497	575	385	420	+9%
OTHER POLICE CALLS						
# of noise/loud party calls	1,321	1,208	1,200	887	897	+1%
SPECIAL EVENTS						
# of special events requiring police planning	60	76	85	64	73	+14%
CRISIS INTERVENTION						
# of cases	1,638	1,769	1,850	1,312	1,332	+2%
Nature of Crises						
domestic violence	26%	21%	20%	18%	24%	+6 pct pts*
sexual assault	5%	3%	5%	3%	5%	+2 pct pts*
victims of other crimes	24%	29%	28%	29%	30%	+1 pct pt
trauma	9%	6%	8%	7%	5%	-2 pct pts

Domestic Violence Response and Sexual Assault Response policies have been re-written and all personnel have been trained.

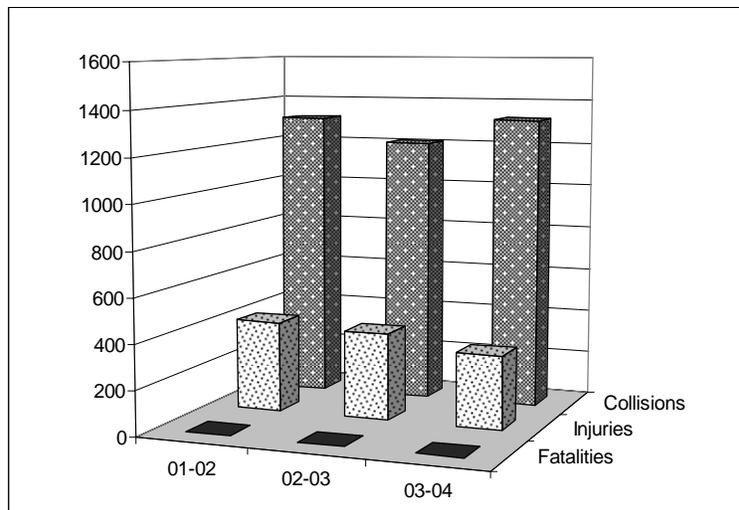
OBJECTIVE	PROGRESS/STATUS
Implement strategies that will enhance the flow of information throughout the department. Create a system to provide consistent staffing at the department's reception desk.	A security monitor has been trained and now provides relief coverage for Communication Specialists.
Focus on the training needs of the twelve newly promoted supervisors (sergeants and lieutenants).	Supervisors have attended the following training: First Line Supervision, Mid-Level Management, Drug Interdiction for Supervisors, Documenting Use of Force, Public Information, and Internal Affairs Investigations.
Develop a system to address the continuing problem of police officer vacancies. Initiatives concerning recruitment of quality people and retention of senior officers will be established.	Officers attended job fairs at Alamance Community College and Fayetteville Technical College. The media package, including a short video, about the department and Chapel Hill are being developed to use in recruitment efforts.
Continue enforcement efforts and high visibility patrols in neighborhoods experiencing disorder due to street-level drug sales and nuisance problems such as loud noise, traffic violations, littering, illegal parking, housing code violations, and aggressive panhandling.	The Northside Unit has been increased to five officers. Patrols are in vehicles, on bicycles and on foot. Staff is reviewing issues related to noise and other disturbances in Northside.
In conjunction with Town departments, community organizations, and citizens expand academic, employment and life skills outreach initiatives to at-risk youth through mentoring programs, drug prevention training, school-based programs, participation in neighborhood activities, and increased visibility in neighborhoods.	<p>Below are some of the activities the department has organized or participated in:</p> <ul style="list-style-type: none"> • "COPS in the Community" neighborhood outreach • Personal safety classes at East Chapel Hill High School • UNC Hospital's Alcohol Awareness Program • Visits to elementary schools • Tutoring at Hargraves Center • After-school employment program • Mentoring middle school boys • Ropes Course for 30 boys
Integrate crime analysis strategies into the investigation of crimes.	Crimes are being analyzed and information shared with investigators and patrol officers. The Hot Sheet is an internal document used to disseminate information.
Develop a Technical Services Unit (TSU) with responsibility for information technology in support of department operations. Ensure that TSU interacts with Investigations to use computer technology, including computer forensics, to support criminal investigations.	Using grant funds from the Governor's Crime Commission, equipment was purchased to perform computer forensics. Employees have received training. The unit has worked with the FBI Task Force in several cases including one that resulted in an arrest for Child Exploitation.
Continue to provide services in the central business district that will enhance the safety of the area and make it more appealing to merchants and visitors.	Narcotics Investigators, Northside officers, and the central business district officers are working with State Alcohol Law Enforcement officers to enforce relevant laws. Alcohol charges are 34% higher than last year.

Major Crimes Reported



Overall reported major crimes decreased by 7%. The total number of personal crimes (homicide, rape, robbery, and aggravated assaults) increased by 7%, with an increase in robberies and decrease in assaults. Property crimes (burglary, larceny, and motor vehicle thefts) decreased by 8%. There was a significant increase in burglaries and decrease in motor vehicle thefts.

Traffic Collisions



Traffic collisions increased by 4% as compared to the first nine months of 2002-03 (1,595 to 1,650), however injuries decreased by 16% (from 389 to 327). There has been one fatality each year.

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
Revenues (1)	384,420	445,278	457,400	405,663	558,615	+38%
Expenditures (2)	9,068,100	9,085,991	10,281,722	7,473,854	7,107,687	-5%
Expenditures as % of Budget					69%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
MANAGEMENT & SUPPORT SERVICES						
# of lost-time injuries/# of days lost	2/226	1/19	<20 inj	1/19	1/12	same/-37%
# of preventable accidents	15	6	<20	5	8	+60%
Turnover: # of individuals/%	5/4	4/3.4	n/a	4/3.4	4/3.1	same
# of plans reviewed for compliance with tree ordinance and Town design standards	140	156	150	118	134	+14%
FIELD OPERATIONS – TRAFFIC						
# of street signing/marketing activities	414	671	450	416	364	-12.5%
FIELD OPERATIONS – CONSTRUCTION						
# projects completed	42	31	30	27	29	+7%
Sq yds of streets reconstructed (3)	8,950	225	5,500	none	5,500	--
FIELD OPERATIONS – STREETS						
Miles of streets resurfaced (4)	6.65	4.71	5.5	4.71	5.5	+16.8%
Truckloads of leaves collected	794	600	550	600	560	-7%
Frequency of street cleaning						
Major streets	Weekly	Weekly	Weekly	.75/Wk	.9/Wk	+20%
Residential streets	6.5 cycles	7.5 cycles	4 cycles	5.5 cycles	5 cycles	-10%
Town Center	1.75/Week	1.5/Week	2/Week	1.33/Week	1.67/Wk	+25.5%

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change From Prior Year
INTERNAL SERVICES						
Fuel use, in gallons (General Fund only)	227,700	242,347	200,000	180,223	193,281	+7%
# of building emergency requests/% of responses less than 30 minutes	37/86%	46/91%	90%	36/94%	16/94%	-56/same
SOLID WASTE SERVICES						
Tons of refuse collected:						
Residential	7,227	7,899	7,700	5,823	6,067	+4%
Commercial	12,364	12,658	13,200	8,805	8,550	-3%
Yard waste (5)	2,138	3,435	2,800	8,739	2,616	-700%
TOTAL TONS COLLECTED	21,729	23,992	23,700	23,367	17,233	-26%
Average pounds of residential refuse per collector per week	21,382	23,370	23,100	22,970	25,927	+13%
Average length of brush collection cycle	1 Wk	1 Wk	1 Wk	1 Wk	1Wk	same
# valid public complaints per month	10	10	<10	10	10	same

Notes

1. Year-to-date revenues for 2003-2004 are relatively high because of 1) timing of payments by businesses of commercial refuse collection fees, which were expanded in fiscal 2002-2003 to include payment for once weekly collections previously made at no fee; and 2) the total collected to date includes \$193,516 related to FEMA reimbursements for costs associated with Hurricane Isabel. With respect to the current budgeted revenues, about 80% has been collected to date.
2. 2003-04 Budget includes \$169,089 re-appropriated to cover carry-overs from 2002-03; year-to-date expenditures for fiscal 2003-2004 include about \$233,000 related to Hurricane Isabel, most of which should be reimbursed by FEMA by the end of the fiscal year.
3. Current year funds were combined with carry-overs from last year to reconstruct Curtis Road between Elliott Road and South Lakeshore Drive during the first quarter. A small portion of Animal Shelter Drive, along with other selected street(s), will be reconstructed during the fourth quarter.
4. During first quarter, 24 streets totaling 5.5 miles in length were resurfaced by contract; an additional 21 streets totaling 2.5 miles received contracted slurry seal.
5. Decrease primarily resulted from high quantity of brush generated by ice storm in early December, 2002.

DIVISION: MANAGEMENT & SUPPORT SERVICES

OBJECTIVE	PROGRESS/STATUS
Management reports/studies.	Major work during the third quarter involved preparation of department's base budget request, both operating and capital, for fiscal 2004-05. Staff also completed required documentation related to Hurricane Isabel, that occurred on September 18, 2003. In addition, staff updated the fifteen year capital program.
Minimum injuries/accidents.	To date, there were sixteen personal injuries, one of which resulted in loss of twelve work days; 8 of 10 vehicular accidents were the fault of Town employees.
Review design plans to assure compliance with Town's Landscape and Tree Protection Ordinance.	Design review accomplished within time period allotted. Work to date included review of 134 sets of plans.
Inspect development sites to assure compliance with permits as approved, consistent with Town's Landscape and Tree Protection Ordinance.	Frequency of site inspections generally adequate.

DIVISION: FIELD OPERATIONS - ADMINISTRATION

OBJECTIVE	PROGRESS/STATUS
Complete reports, studies and program analyses related to divisional operations as required.	The Field Operations Superintendent spent considerable time coordinating emergency operations throughout the arrival of and aftermath related to Hurricane Isabel. He coordinated the Department's participation in the Halloween event and has served as the Department's representative in the Town's development of a storm water management program.
Evaluate/implement various professional recommendations and CIP projects.	Preparation of next CIP update started in the second quarter and was completed during the third.

DIVISION: FIELD OPERATIONS - TRAFFIC

OBJECTIVE	PROGRESS/STATUS
Improve traffic flow and safety through signing improvements.	To date, program staff performed maintenance on and/or installed 364 traffic signs, including the installation of signs in conformance with amended ordinances. Extensive work related to repair/replacement of signs damaged during Hurricane Isabel. Staff supported departmental operations during the Halloween event. During January, 2004, staff assisted in responses to two major snow/ice events.

OBJECTIVE	PROGRESS/STATUS
<p>Maintain closed loop signal system.</p>	<p>To date, traffic detection loops were replaced at various locations and staff responded to 382 reported malfunctions (flash, detection, timing, bulb problems, etc.). Major tasks completed during the third quarter included preventive maintenance in various traffic zones, replacement of pedestrian heads Town-wide as needed and repair of damaged signals at various intersections.</p> <p>During the time starting immediately after Hurricane Isabel through the following three weeks, traffic section crews devoted considerable time, including some around-the-clock work, repairing damaged signal system hardware.</p>
<p>Provide street lighting consistent with existing Town policy along all classes of streets.</p>	<p>To date, we authorized Duke Power Company to install 5 new street lights and requested 42 repair service work orders by Duke Power Company. Staff assisted Duke Power Company in an updated review of Northside lighting and development of a lighting plan for the pathway near Cleland Drive. Staff also resubmitted a plan for lighting Parkside II.</p>

DIVISION: FIELD OPERATIONS - RIGHTS-OF-WAY/DRAINAGE

OBJECTIVE	PROGRESS/STATUS
<p>Maintain Town's drainage system through ongoing services.</p>	<p>Work completed to date included cleaning/installing and/or repairing 34 ditches, pipes and catch basins at 37 locations; resetting and/or replacing 34 catch basin tops; cleaning and/or re-grading 602' of ditches at 15 locations; checking catch basins and removing debris as needed Town-wide; and removing blockages along Bolin Creek and Booker Creek.</p> <p>Drainage maintenance work crews focused on emergency work and ongoing debris removal/disposal during and following Hurricane Isabel.</p> <p>In the mosquito control program, we monitored and treated known mosquito breeding sites on public properties during the first quarter. Additional mosquito control work is anticipated during the fourth quarter.</p>
<p>Clean streets in Downtown areas twice weekly and major streets weekly; check and clean residential streets as needed once every six weeks.</p>	<p>To date, Downtown areas were swept 65 times, for an average of about 1.7 times per week. Major streets were cleaned on average just under once per week and 5 cycles were completed along residential streets. Normal street cleaning work was interrupted by Hurricane Isabel in September 2003.</p>
<p>Improve appearance and enhance lines of sight along rights-of-way through maintenance of existing trees and vegetation.</p>	<p>Prior to Hurricane Isabel in early September 2003, a total of 14 trees were removed Town-wide. An additional 9 trees had to be removed as a result of the hurricane. During the second and third quarters, an additional 23 trees were removed, for a total of 46 for the year. Tree planting work completed in the second and third quarters included 108 trees Town-wide.</p>

DIVISION: FIELD OPERATIONS - CONSTRUCTION

OBJECTIVE	PROGRESS/STATUS
Reconstruct small portion of Animal Shelter Drive.	During the first quarter, reconstruction work was completed on Curtis Road between Elliott Road and South Lakeshore Drive. Reconstruction of about 225 sq. yds. of Animal Shelter Drive is anticipated during the fourth quarter.
Construct various projects for other Public Works divisions and Town departments.	Miscellaneous projects completed during the third quarter included replacement of bollards at various locations, re-installation of various parking meters, repair of parking bumper at Community Center, driveway work at fire stations, installation of trash cans at cemeteries, installation of two bus shelters and repairs to tennis court at Hargraves.
Construct miscellaneous projects, including Streetscape, sidewalks and drainage improvements.	<p>Major project work continued during the second quarter on Streetscape 2002, including installation of bollards, benches and trash cans; caulking between rock wall and 500' of sidewalk; and repair of drainage system at Downtown planters. Additional Streetscape work during the remainder of the current fiscal year will be determined by the Council during early April.</p> <p>To date, sidewalk installation has included 150' at Memorial Cemetery, removal and replacement of 150' at intersection of Henderson Street and E. Rosemary Street and repair of sidewalks along Cameron Avenue, at the alley between Wood's Restaurant, at the Post Office/Court, at Billie Holiday Court apartments, along South Estes Drive Extension, along South Elliott Road, along Elizabeth Street and along Forrest Hill Road.</p>

DIVISION: FIELD OPERATIONS - STREETS

OBJECTIVE	PROGRESS/STATUS
Improve about 7 miles of street pavement using contract resurfacing (5.6 miles) and slurry seal (1.3 miles).	In the first quarter, we milled 5 streets and resurfaced by contract 24 streets Town-wide, totaling about 5.5 miles in length; another 21 streets (for 2.5 miles) received slurry seal. Additionally, crack pouring by contract was used along 33 streets.
Maintain the Town's street system through ongoing patching.	Extensive patching was completed in the first two quarters; work included patching on the streets that were resurfaced. During the third quarter, patching work was completed on Weiner Street. Crews repaired potholes on 17 streets; placed crack sealing material on 33 streets; and treated an additional 20 streets with asphalt.

OBJECTIVE	PROGRESS/STATUS
Collect leaves and pine straw October through March.	The seasonal program started on October 20, 2003, as scheduled. A total of 560 loads was collected by the end of the season, March 19, 2004. Six complete cycles were made.
Clear streets in times of inclement weather, including snow and ice, consistent with current priorities and Town policy.	Crews worked around-the-clock shifts during and following Hurricane Isabel to clear and reopen streets on which storm debris had fallen. Two major snow storm events occurred in January 2004, resulting in use of significant overtime and over-expenditures for snow/ice materials.

DIVISION: INTERNAL SERVICES

OBJECTIVE	PROGRESS/STATUS
Expand use of automated fleet management system.	<p>Ongoing; data are maintained to generate information related to road calls and fleet preventive maintenance, as well as repair service. During the first three quarters, 97 emergency road service calls were made at an average cost of \$118.13 per call. The average preventive maintenance cost per vehicle serviced was \$113.49. These unit costs, both for road service calls and preventive maintenance, include labor, materials and equipment.</p> <p>Fuel use was up 13,058 gallons, or 7%, compared to the first three quarters last year. This increase occurred throughout most organizational units, with no significant increase in any one user. The cost per gallon averaged \$1.00 during the first quarter, \$1.09 during the second quarter and \$1.24 during the third quarter, for a year-to-date average of \$1.11. This compares to an average unit cost of \$.77 last year (note: budget assumes \$1.05).</p>
Perform preventive maintenance per mileage benchmark system—about 400 services per year on 195 items.	A total of 496 automotive PM's completed, for average of about 12.7 per week.
Assume in-house major maintenance/repair jobs for both equipment and vehicles.	There were no major in-house repairs in the first three quarters.
Adhere to both interior and exterior building maintenance schedules.	Maintenance schedules generally were met at all public facilities for which the division is responsible. A total of 1,082 building maintenance work orders were completed to date.

OBJECTIVE	PROGRESS/STATUS
<p>Evaluate professional recommendations related to building maintenance projects, including those in CIP; implement building-related work programs/projects.</p>	<p>Renovation of Hargraves Community Center/A. D. Clark Pool is complete. Staff members continue to participate with consultants on design of new municipal operations facility. The Meadowmont Park Fishing Cabin project was completed. New vinyl siding was installed at the Carolina Sport Art Gymnasium. Roof work at Town Hall was completed by the end of January 2004 as scheduled. A thermal lining system and digital temperature sensing devices were installed at the fire training facilities. Plan review was completed for renovations at the IFC Shelter and a pre-bid conference was held, with bids received and opened. Installation of generators at Town Hall and the Police Department currently is under review. A site analysis was completed related to replacement of the carpeting at Town Hall.</p> <p>Extraordinary maintenance work during the third quarter included installation of weather-head at Homestead gym and replacement of regulator and electronic flame control at the Community Center.</p>

DIVISION: SOLID WASTE SERVICES

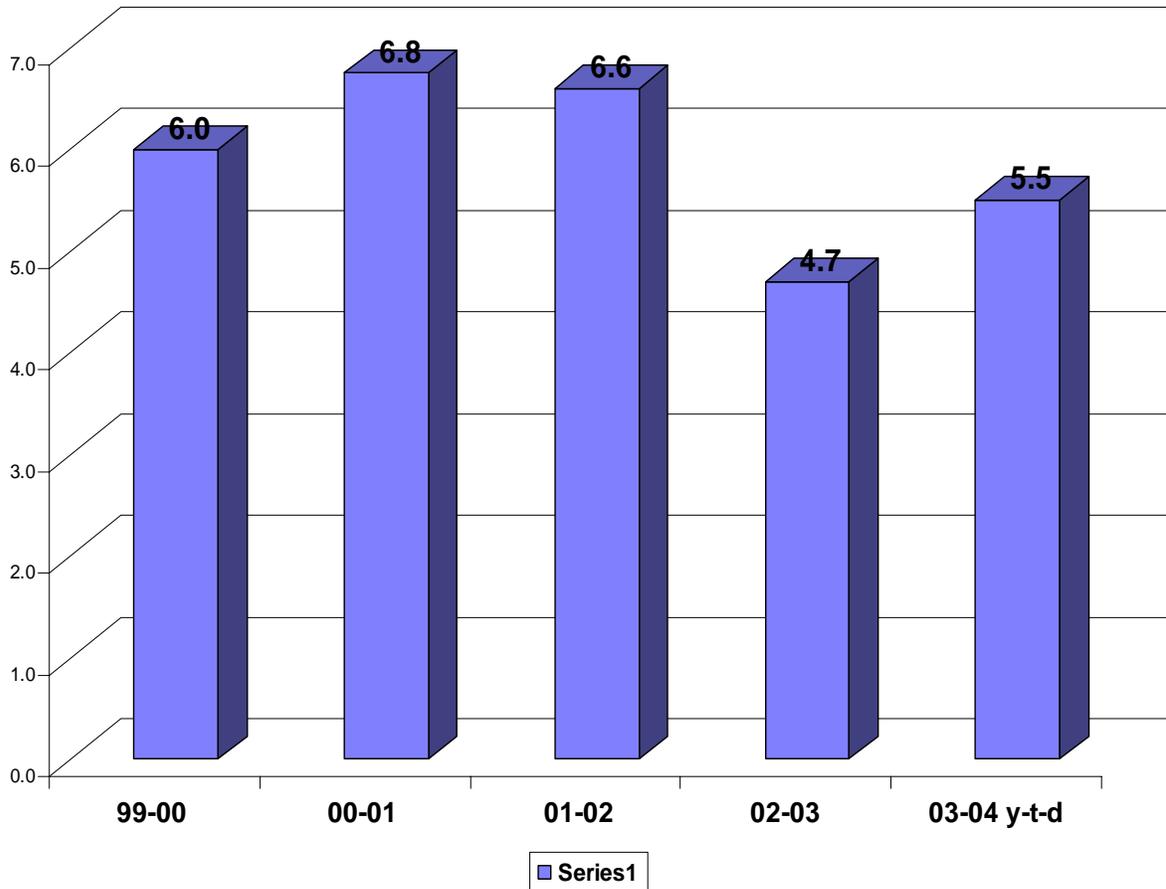
OBJECTIVE	PROGRESS/STATUS
<p>Collect estimated 23,700 tons of residential (including yard waste) and commercial refuse as scheduled, with minimum complaints.</p>	<p>To date, total volume was down 6,134 tons (26%) compared to that for last year. This decrease resulted primarily from the greater quantity of brush debris generated by the severe ice storm in December 2002. The data exclude 500 tons of commercial refuse collected from compactors. Collection schedules for all residential and commercial routes generally were met.</p>
<p>Provide efficient level of collection of brush/bulky items.</p>	<p>The average collection cycle for brush was 1 week during most of the first quarter and throughout the second and third quarters. After the hurricane in mid-September, we started collecting brush using private contractors and in-house work crews. Vegetative debris generated by the hurricane totaled 1,616 tons.</p> <p>Bulky items (white goods) collected to date totaled 78 tons compared to 57 tons in the same period last year.</p>

OBJECTIVE	PROGRESS/STATUS
Minimize injuries/accidents.	During the first three quarters, there were no lost-time injuries. There were no accidents that were the fault of Town Solid Waste personnel.
Maintain high service level, both in terms of service and operations.	Residential refuse collection services were conducted in an efficient, safe and productive manner. Commercial collection remains highly efficient and safe. Enforcement of the cardboard ban continues. We continue to work with front-loading commercial customers to replace unsafe dumpsters and we continue to encourage replacement of side-loading dumpsters with front-loading containers.

DIVISION: LANDSCAPE

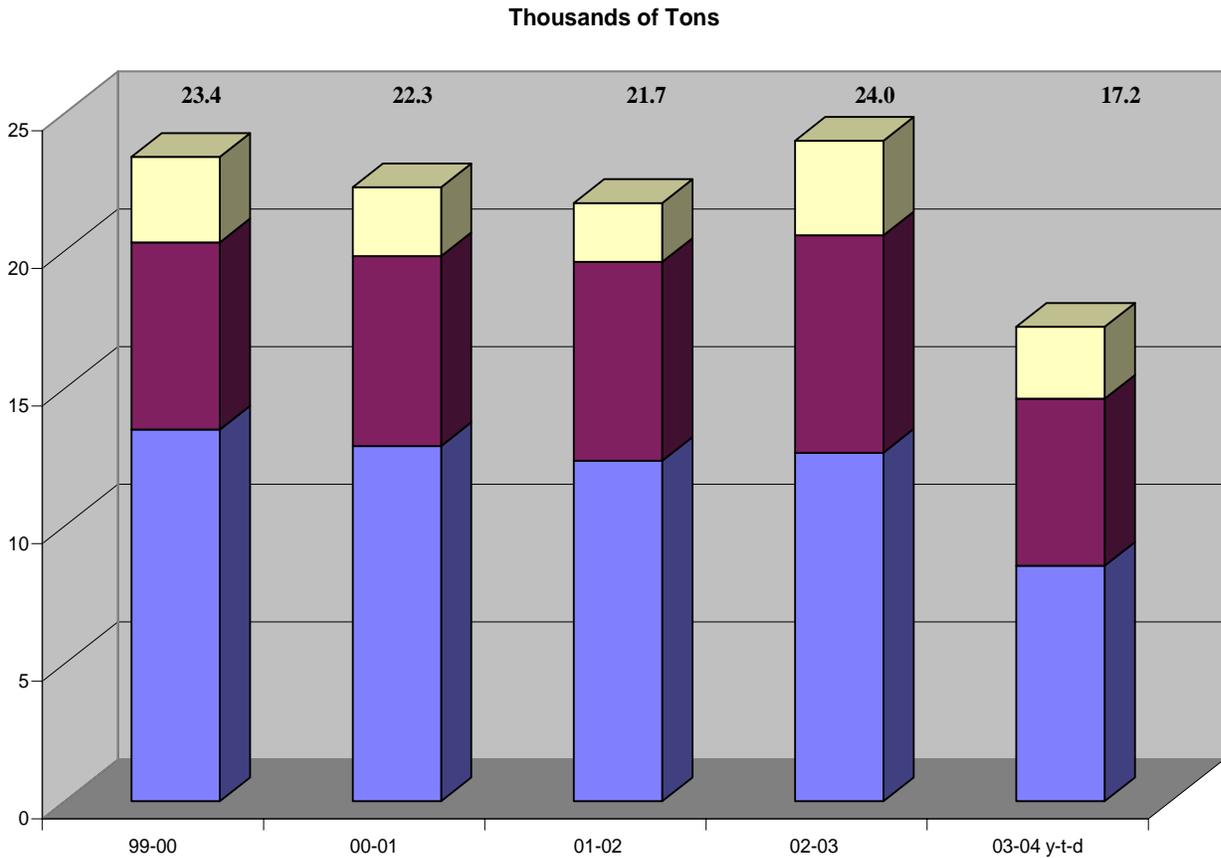
OBJECTIVE	PROGRESS/STATUS
Evaluate and implement projects included in the Capital Improvements Program and proposed by consultants.	<p>During the first three quarters, department staff met with staff from Parks and Recreation Department to discuss work orders, Festifall and Apple Chill preparation.</p> <p>Small Park Improvement work during the third quarter included installation of a fence at Homestead soccer fields.</p>
Improve appearance and safety along rights-of-way through mowing road shoulders.	Seasonal mowing cycles were completed as scheduled throughout most of the first three quarters. Staff was diverted to clean-up work during and following the arrival of Hurricane Isabel on September 18, 2003.
Adhere to grounds maintenance schedules at parks, cemeteries, parking lots, public housing and other public locations.	<p>Grounds maintenance schedules generally were met or exceeded at all public facilities and areas for which division is responsible up to the time of the hurricane discussed above. Plantings during the first three quarters included 119 shrubs, 27 trees and numerous perennials throughout Town; about 1,500 sq. ft. of perennials were planted at Homestead Park alone.</p> <p>During the first three quarters, a total of 71 work orders was completed, primarily for Housing and Parks and Recreation.</p>

MILES OF STREETS RESURFACED



Contract resurfacing was completed on 5.5 miles of streets during the first two quarters. The budget objective is 5.5 miles. An additional 2.5 miles of streets received slurry seal by contract.

SOLID WASTE COLLECTION



The Solid Waste Services Division collected 26% less refuse compared to the same period last fiscal year. The decrease primarily results from the quantity of brush generated by the ice storm that occurred in early December 2002. The goal for all solid waste collections this year is 23,700 tons.

Transportation**Third Quarter, 2003-2004**

REVENUES/EXPENDITURES	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
Revenues	8,056,497	9,412,899	10,794,509	7,845,367	9,736,092	24.1%
Expenditures	6,966,813	8,662,773	10,794,509	5,793,585	6,551,663	13.1%
Expenditures as % of Budget					60.69%	

ADDITIONAL DETAIL	Actual 01-02	Actual 02-03	Budget 03-04	YTD 02-03	YTD 03-04	Change from Prior Year
TRANSPORTATION						
Fixed route trips	3,588,387	4,589,559	4,733,832	3,582,777	3,960,925	10.6%
Demand response trips	60,249	72,599	68,108	49,593	48,876	-1.5%
Tar Heel Express trips/Charter	122,017	154,261	135,000	99,681	142,634	43.09%
Service miles (actual)	1,958,075	1,883,680	1,979,676	1,402,883	1,486,987	6.0%
Passenger trips/service mile	1.93	2.56	2.49	2.66	2.79	5.0%
Operating Costs	6,966,813	8,662,773	10,794,509	5,793,585	6,551,663	13.08%
Operating Revenue	1,062,625	386,994	275,000	347,793	398,859	14.68%
Patron revenue/trip	0.28	0.08	0.06	0.08	0.10	3.1%
System cost/trip	1.85	1.8	2.19	1.55	1.58	1.6%
Ratio of Revenue from Patrons to cost	0.25	0.04	0.03	0.06	0.06	1.41%
Miles/road call	19,387	30,382	25,000	30,497	37,175	21.90%
Road calls (mechanical)	101	62	60	46	40	-13.04%
Preventable accidents	40	22	25	16	9	-43.75%
Miles/Preventable accidents	48,952	85,622	35,000	87,680	165,221	88.44%

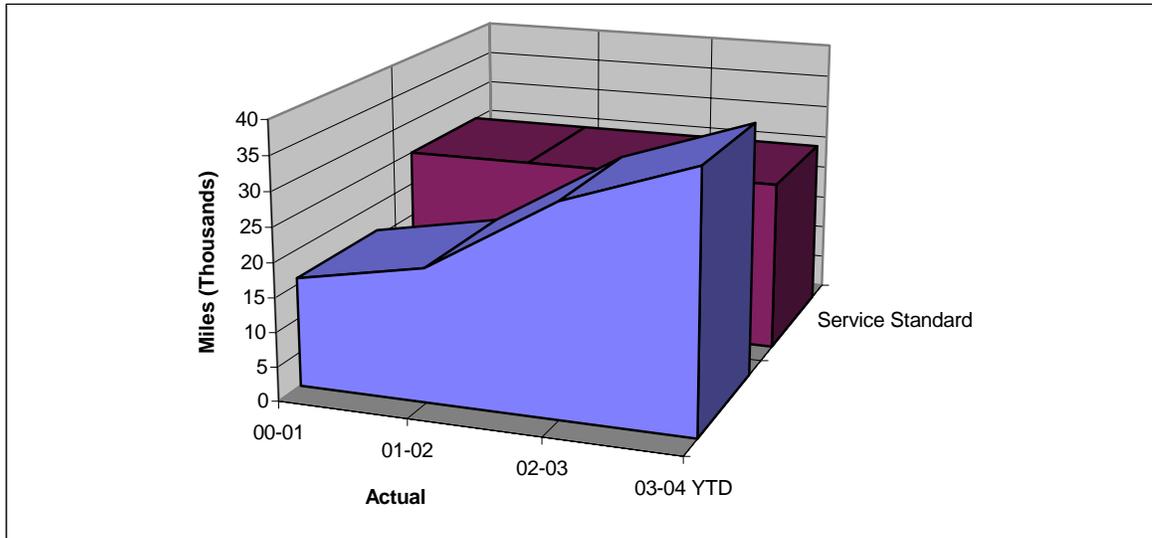
Transportation

Third Quarter, 2003-2004

SAFETY PERFORMANCE	Actual 01-02	Actual 02-03	Budget 03-04	Same Period 02-03	YTD 03-04	Change from Prior Year
Safety Training: #of staff hours of training (#of employees X training time)	2,419.06	4,260		4260	2875	-32.51%
Safety Inspections: #of hazards identified/ % of items mitigated	0	0		0	0	N/A
Time lost due to work-related injury or illness	1,173.54	131		130.8	837.6	540.36%

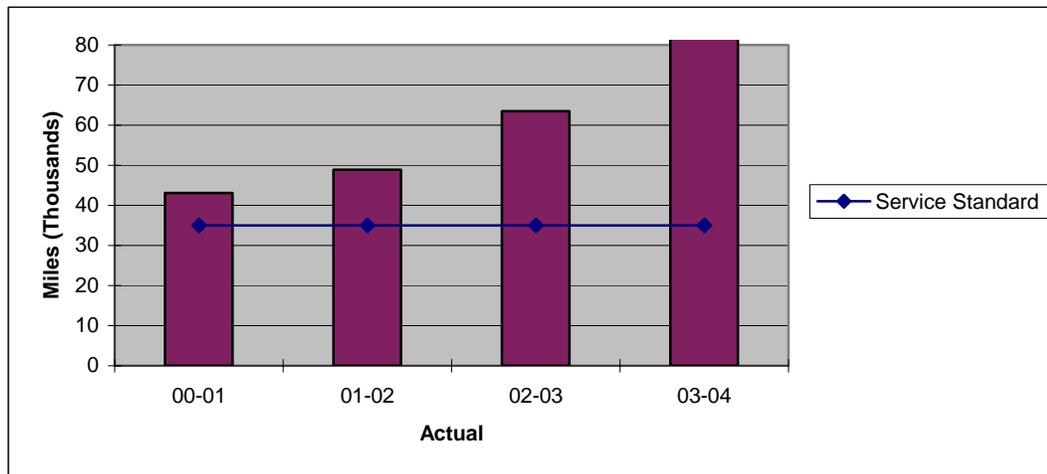
OBJECTIVES	PROGRESS/STATUS
To operate fixed route transit service in Chapel Hill, Carrboro, and on the UNC campus. Routes will serve 90% of the residences and will meet the published schedule 98% of the time.	Operated approximately 36,066 hours of service during the period. Fixed Route Ridership was up 10.6% from the third quarter of FY 2003.
To operate demand responsive services in areas not served by fixed routes and for certified senior and handicapped patrons. Will meet service standards set by the Transportation Board.	Operated approximately 5,928 hours of service during the period. Average trip time of 18 minutes was above our standard of 15 minutes per trip.
To operate all transit services with no more than one preventable vehicular accident per 35,000 miles.	Miles between preventable accidents averaged 165,221 for the period.
To operate a reliable transit operation with no more than one (mechanical) road call per 25,000 miles.	Miles between road calls for mechanical reasons averaged 37,175.
Dept. Safety Committee Activity.	N/A:
Progress on Priority Projects named for the year.	N/A
Explanation for uncorrected inspection items.	No inspections or violations.

**TRANSIT RELIABILITY
AVERAGE MILES BETWEEN ROAD CALLS DUE TO
MECHANICAL PROBLEMS**



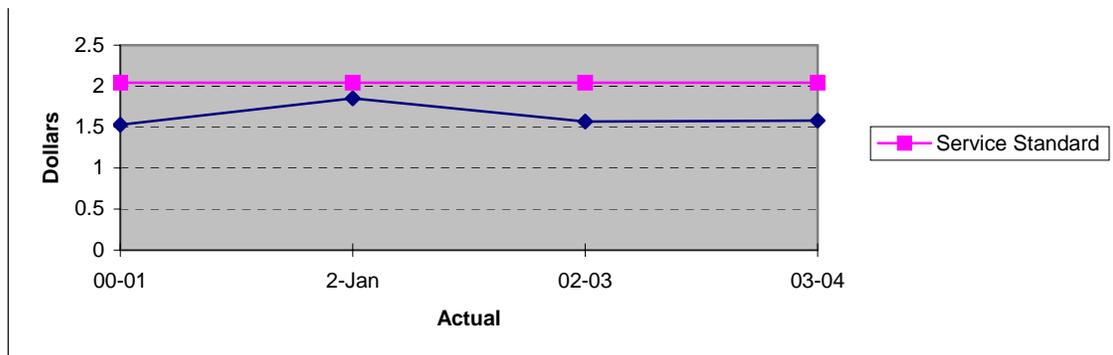
Service reliability is measured by tracking service miles between road calls due to mechanical problems. The system is operating newer vehicles (seventeen 2001's and ten 2002's) resulting in a much more reliable fleet. The addition of maintenance staff this year has helped improve the reliability of the fleet.

**TRANSIT SAFETY
MILES BETWEEN PREVENTABLE ACCIDENTS**



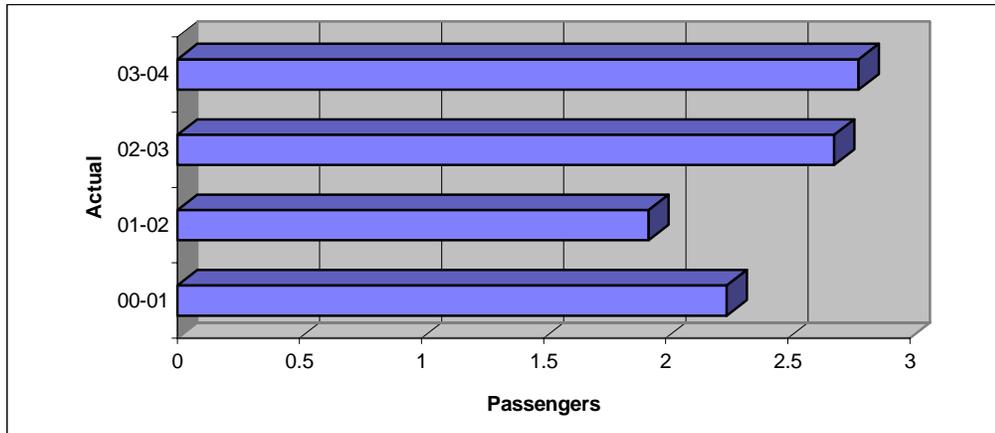
Transit vehicle safety is measured by tracking the average miles between preventable accidents. The transit supervisors are teaching Smith System Defensive Driving System to all employees.

**PUBLIC TRANSPORTATION
SYSTEM COST PER PASSENGER TRIP**

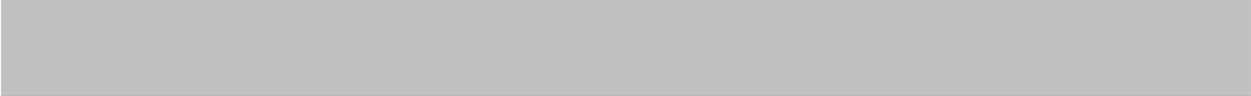


Transit service efficiency is monitored by calculating the system-wide cost per passenger trip.

**PUBLIC TRANSPORTATION
PASSENGERS PER SERVICE MILE**



Transit service productivity is monitored by calculating the passenger trips per service mile.



CAPITAL PROJECTS



ENVIRONMENTAL IMPROVEMENTS**Project Name:** Cemetery Beautification**Funding Source(s):** Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	-0-	54,942	54,942	4,200	50,742

Status of Project:

Consistent with the Town Council's approval of the University's proposed Cobb chiller plant and parking deck, the Council authorized a \$50,000 mid-year amendment to the Town's cemetery beautification CIP account. An additional \$100,000 is anticipated to be provided by the University for improvements at the Old Chapel Hill Cemetery.

On January 12, 2004, the Council appointed members to the OCHC advisory board. During the remainder of the third quarter, this board held its first four meetings and has begun to develop recommendations for proposed use of these funds for consideration by the Council. We anticipate that these recommendations will be available early in fiscal 2004-2005.

Project Name: Downtown Improvements (Streetscape)**Funding Source(s):** 1996 Bond Funds

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
500,000	500,000	- -0	1,000,000	726,461	273,539

Status of Project:

On November 11, 2002, the Council allocated \$225,000 for Phase 1 of special downtown street and pedestrian lighting. This work is anticipated to be completed in the third quarter of fiscal 2003-2004.

On February 10, 2003, the Council approved the segment of Streetscape from Porthole Alley to McCorkle Place and it was completed in the second quarter of fiscal 2002-2003. The one percent of the budget for art was saved to pool with funds from future Streetscape projects.

On October 27, 2003, the Council allocated \$125,000 of the remaining streetscape funds to upgrade NCDOT traffic signal improvements to include mast arm signals at three downtown locations. This work is anticipated to be done in the first quarter of fiscal 2004-2005.

On April 14, 2004, the Council will consider options for streetscape improvements utilizing the remaining unencumbered funds.

GENERAL MUNICIPAL IMPROVEMENTS

Project Name: Extraordinary Maintenance

Funding Source(s): Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	-0-	51,831	51,831	28,148	23,683

Status of Project:

Work covered by this general capital maintenance account during the third quarter included installation of weather-head at Homestead gymnasium and replacement of regulator and electronic flame control at Community Center.

Project Name: Generators – Town Hall and Police Department

Funding Source(s): Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
*	*	*	220,000	10,027	209,973

Status of Project:

*The total principal for these projects is \$220,000 (\$120,000 for Town Hall generator; \$100,000 for Police Department generator). The projects are funded through annual lease purchase payments. We opened bids for these projects on April 14, 2004. The apparent low bid was for \$354,000 at Town Hall and \$232,000 at the Police Department. We plan to reject these bids as unaffordable within our budget and redesign the projects with a reduced scope of work.

Project Name: Hargraves/A. D. Clark: Capital Repairs

Funding Source(s): Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
1,200,000	-0-	-0-	1,200,000	1,187,814	12,186

Status of Project:

Architectural work was completed during fiscal 2001-2002. The Local Government Commission approved the installment financing package during fiscal 2002-2003 and the Council awarded a bid and authorized the Manager to approve change orders up to a cumulative total of \$110,000, but not to exceed the combined total project cost of \$1,200,000.

The punch list walk through on March 31, 2003, identified several relatively minor issues which delayed full occupancy. However, the building was stocked with furniture in April, 2003, and the grand opening was held on May 10, 2003. The pool opened as usual on Memorial Day Weekend.

Completion of punch list items delayed final close-out of this project. Pool items were finally corrected when the pool closed for the season. The project presently is substantially completed. We are in receipt of the final payment request from the contractor and we expect to make the final payment soon.

Project Name: IFC Shelter: Capital Repairs

Funding Source(s): Capital improvements fund

Capital Projects**Third Quarter, 2003-2004**

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
*	*	*	450,000	34,262	415,738

Status of Project:

*The total principal for this project is \$450,000. The project is funded through annual lease purchase payments. Plan review is in progress, with bids due to be processed early in the third quarter of fiscal 2003-2004. Construction is scheduled for the spring of 2004.

Project Name: Roof Replacements – Fire Stations #2 and #3

Funding Source(s): Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
*	*	*	130,000	113,800	16,200

Status of Project:

*The total principal for these projects is \$130,000 (\$65,000 each). The projects are funded through annual lease purchase payments. The contractor will start work on these two roofs during the latter part of the current fiscal year, once work is completed on the roof at Town Hall.

Project Name: Town Hall Roof Replacement

Funding Source(s): Capital improvements fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
*	*	*	145,000	193,900	(48,900)

Status of Project:

*The total principal for this project is \$145,000. The project is funded through annual lease purchase payments. Bid documents were processed during the first quarter and work started in December, 2003. Completion is anticipated in mid- to late-January at a total cost in excess of the original estimate.

Project Name: Public Housing Renovations

Funding Source(s): Community Development Block Grant

Balance from Previous Years	2003-2004 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	165,000	-0-	165,000	13,047	151,953

Status of Project:

Community Development funds will be used to rehabilitate twenty-six units at the Airport Gardens public housing community. Funds would be used for architectural work related to renovation. Some funds (\$15,000) will be used to pay a portion of the Assistant Housing Directors' salary for oversight of the renovation project. Housing Capital Grant funds will also be used for renovation expenses for the community. Renovation work will include the abatement of lead-based paint and asbestos, replacement of windows and screens, replacement of interior and exterior doors, replacement of furnaces, replacement of floor tiles, replacement of bathtub liners and surrounds, bathroom fixtures, plumbing and electrical upgrades, interior and exterior painting, and drainage improvements to the site.

LEISURE ACTIVITY IMPROVEMENTS

Project Name: Booker Creek Linear Park (Fordham Boulevard to Franklin Street)

Funding Source(s): Capital Improvements Program and Gift

Capital Projects**Third Quarter, 2003-2004**

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
437,134	-0-	-0-	437,134	65,589	371,544

Status of Project:

Floodway regulations forced changes to the Conceptual Plan. Design work. Design documents ready for submittal for ZCP approval. Final easement from Eastern Federal Corporation expected in 4th quarter.

Project Name: Greenways

Funding Source(s): Capital improvements fund

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	55,000	-40,000	14,450	1,760	12,690

Status of Project:

\$40,000 used as a match for the Dry Creek Trail pedestrian bridge grant. We expect to use the remaining funds for revision of the Greenway Master Plan, as grant matches, and to renovate certain trail segments.

Project Name: Lower Booker Creek Greenway Trail, Phase II (Booker Creek Road to Franklin Street)

Funding Source(s): NCDOT Grants and Capital Improvement Program

Capital Projects**Third Quarter, 2003-2004**

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
721,749	-0-	-0-	721,749	721,749	-0-

Status of Project:

Project is now complete.

Project Name: Homestead Park

Funding Source(s): Capital Improvements Program, 1989 Parks & Open Space bond, 1996 Parks bond, Orange County Bond Funds

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
3,601,342	-0-	-0-	3,601,342	3,581,387	19,954

Status of Project:

Some work remains including installation of signs, speed humps, dog park improvements, and an updated timer system for the ballfield lights.

Project Name: Homestead Park Aquatics Center

Funding Source(s): 1996 Parks bond, 1997 County Parks bond, 2001 County Parks bond

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
1,226,058	-0-	-0-	1,226,058	455,310	770,747

Status of Project:

The Council and Orange County have approved a building conceptual plan. Design work is underway. Expedited processing approved by the Council. Special Use Permit submittal expected for the summer or early fall of 2004.

Project Name: Pritchard Park

Funding Source(s): Gift, Interest and Rental Income

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
164,000	-0-	-0-	164,000	53,948	110,052

Status of Project:

Council adopted a conceptual plan. A committee completed its work to develop options for the area adjacent to the Siena Hotel for Council consideration. The Council agreed to work with the owner of the Siena Hotel to jointly develop Special Use Permits. We have received a petition from the owner of the Siena Hotel to enter into further discussions. Meanwhile the trails have been built and are being further improved by volunteers.

Project Name: Southern Community Park

Funding Source(s): 1997 Orange County Bond, 2001 Orange County Bond

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
353,059	-0-	-0-	353,059	366,397	(13,339)

Status of Project:

Design work is underway. Expedited processing approved by the Council. Special Use Permit submittal anticipated for early summer 2004. We are currently negotiating with the County a payment plan for the project.

Project Name: Morgan Creek Trail

Funding Source(s): NCDOT grant, payment in lieu of recreation improvements

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	89,375	-0-	89,375	49,909	39,465

Status of Project:

The Morgan Creek Trail Conceptual Plan Committee began work in November 2002. A public forum was held in June. The Committee is taking a break until such time as the State has completed its re-mapping of the Morgan Creek 100 year floodplain or the Town decides to undertake the work itself.

Project Name: Dry Creek Trail

Funding Source(s): Transfer from Greenways CIP, payment in lieu of recreation improvements, CWMTF grant

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
275,430	-0-	70,000	345,430	260,650	84,780

Status of Project:

Portions of the trail have been built. In addition, a 17 acre tract was purchased. Two projects remain. The first would correct erosion problems at the trails' junction with East Chapel Hill High School. Work on that project should start in April or May. The second would involve a

pedestrian/bicycle bridge across Dry Creek in the Springcrest neighborhood. A design consultant has been hired for that task. The Council had approved the acceptance of an Adopt-a-Trail grant for construction of a trail access parking lot off of Erwin Road. However, bids were too high and we notified the State that we could not accept the grant.

Project Name: Carolina Sport Art Building and Property

Funding Source(s): Lease payments, Payment in Lieu of Recreation Area

Budget from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
-0-	-0-	30,209	30,209	28,800	1,409

Status of Project:

The Carolina Sport Art building has been covered in new siding. Public Works expects to re-grade the site sometime this fiscal year. The Vineyard Square developer is expected to complete site work along Homestead Road sometime in the 4th quarter.

Project Name: Small Park Improvements

Funding Source(s): Capital improvement fund.

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
5,696	20,000	3,627	29,323	27,990	1,333

Status of Project:

The small balance available at the end of fiscal 2002-2003 was added to the 2003-2004 appropriation. To date, stabilization work was completed at the cabin at Meadowmont. Fencing was installed at the soccer fields at Homestead Park during the third quarter at a cost of \$10,000.

TRANSPORTATION IMPROVEMENTS**Project Name:** Sidewalks and Bikeways**Funding Source(s):** Capital Improvement Funds

Balance from Previous Years	2003 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
\$127,589	\$50,000	-0-	\$177,589	\$59,173	\$118,416

Status of Project:

Fordham Boulevard, (Willow Dr. to Elliot Rd.) (1996 bond) 700 feet of sidewalk was completed in March 2004. Sidewalks at Legion Road (east side, phases 1 & 2) are currently under construction. An inter-local agreement with the North Carolina Department of Transportation for funds to construct missing sections of Airport Road (Homestead Rd to Estes Dr.) will be executed shortly. Construction would be undertaken within two years of the agreement's execution. \$50,000 of funds will be encumbered for this project. It is planned to assign Community Development funds for use in The Northside neighborhood on West Rosemary Street.

Project Name: ADA Ramps/Curbs and Gutters**Funding Source(s):** Capital Improvements Fund

Balance from Previous Years	2003-04 Appropriation	Mid-Year Amendments	Total Current Appropriation	Expenditures & Encumbs	Balance
64,063	25,000	0	89,063	0	89,063

Status of Project:

The above amounts represent capital improvement funds available for work related to bringing curb ramps into compliance with the Americans with Disabilities Act (ADA). These funds are separate from sidewalks/bikeways bond funds.

Project Name: Public Transit Vehicle Replacement/Expansion

Funding Source(s): Federal Section 5309, Section 5307, NCDOT and local matching funds.

Balance from Previous Years	2003-2004 Appropriation	Mid-Year Amendment	Total Current Appropriation	Expenditures & Encumb	Balance
-0-	1,180,000	-0-	1,180,000	-0-	1,180,000

Status of Project:

Development of specifications began during the quarter.