

2007 TOWN OBJECTIVES

Budget Discussion

Semi-annual newsletter

Objective Statement: To improve public awareness of Town objectives and activities by developing semi-annual newsletter for distribution to Chapel Hill households.

Description of Objective: A newsletter would help to inform residents of the actions of the Council, market our services, educate about our laws and practices, and build public awareness about the goals of the Town.

Purpose/Rationale/Link to Comprehensive Plan: In a tradition of open, accountable government, Chapel Hill strives to maximize citizen participation in order to be representative of and responsive to the populations that it serves.

Our current methods of communication rely on disseminating messages through area media with an emphasis on newspapers. Our only direct forms of communication are the website, e-mail listserv and Chapel Hill TV 18, the government access cable channel. This outreach requires that citizens are connected with the Internet or are cable customers. The key part of the newsletter proposal is *direct mail*, which would establish a direct form of outreach with those who do not read newspapers and would not visit the website or watch meetings on cable.

Council Champion:

Responsible Management Team Member: Town Information Officer Catherine Lazorko

Resources needed: Our approach will vary the costs greatly. If the Town opted to print its own newsletter and mail directly to citizens, the cost could be roughly about \$10,000 per issue for printing and mailing. Many variables will affect the cost including the size, paper quality and whether to opt for color printing, and the reach of the mailing (all dwelling units including apartments versus property owners only).

Other scenarios that the Town may consider are to request to insert a one page newsletter into the OWASA bill. If the Town offered to fund a portion of the postage and OWASA was agreeable, this may bring our costs down to \$3,000 to \$4,000 per issue. We also may consider whether to utilize the front portion of the annual Guide to Services for newsletter material and mail this directly to all households.

Performance Measurement: The enhancement of public knowledge and citizens' perceptions and attitudes toward local government are difficult to measure without surveys. Meeting attendance, applications to boards, and general involvement by the community could be a noticeable change resulting from improved communications.

Timeline: The production cycle requires three months from planning to distribution.

Barriers and Dependencies: The proposed newsletter would be written and designed entirely in house by the Town Information Officer. The printing and distribution would be handled by a local printing shop.

2007 TOWN OBJECTIVES

Budget Discussion

To increase staff training and development to improve staff skills and leadership abilities

Objective Statement: To develop organizational capacity and individual leadership skills by increasing staff training and development to improve staff skills and leadership abilities.

Description of Objective: To empower and improve effective communication between supervisors, managers and employees; to enhance coaching and encouragement of employees; to address issues and rationale for management decisions and actions; to provide feedback and fairly evaluate employee performance; to enhance the organization's capacity for change. To place a new emphasis on staff development to promote an organization that values and models innovation, efficiency, risk taking and responsiveness. Use training to reinforce the values and develop renewable leadership.

Purpose/Rationale/Link to Comprehensive Plan: Provide the staff with skills and knowledge that enables them to be more active and confident when working to support and implement key themes in the comprehensive plan. Key skills to be addressed include creativity, development, cooperation, open thinking, leadership and use of technology.

Council Champion:

Responsible Management Team Member: Town Manager Roger Stancil, Fire Chief as Management Development Team Leader; and Human Resources Director Pam Eastwood

Resources needed:

- Funding for professional trainers and materials, \$100,000.
- Time for program research and development, including research and evaluation of successful programs in the region and design and implementation of assessment/outline plan of organizational needs and objectives for program.
- Time commitment from department heads and managers to prepare coursework and participate as trainers in some content areas and to assure that employees are able to attend and complete the sessions.
- Interest and willingness of department heads and managers to support and model the principles taught in practical day-to-day interactions.

Performance Measurement:

- Records of participants completing coursework and receiving certifications.
- Observable changes in practices and behaviors of managers, supervisors and employees to demonstrate understanding and acceptance of principles taught.

Timeline:

- Program Development: To be completed six months from funding
- Program Implementation: to commence nine to 12 months from funding
- Program Evaluation: Annually, beginning 12 months from implementation

Barriers and Dependencies:

- Department heads and managers will find it challenging and difficult to accomplish current operations requirements and also schedule employees to attend training sessions regularly.
- Support from top management and specific requirements and expectations for departments' participation and acceptance of program will be critical to program success.
- Positive and negative reinforcement by management of behavior changes by employees and supervisors will be important. This will communicate the consequences of accepting or rejecting the culture change required by the organization.
- Timeframes for steady and continuing progress of participants through programs will be key to maintaining momentum and changes in management and supervisory expectations and behaviors.
- Once established, program funding will need to be continued in upcoming budgets to solidify and reinforce the new principles.

2007 TOWN OBJECTIVES

Budget Discussion

Improve/replace Town website

Objective Statement: Upgrade the Town website to include more features for citizen access and interaction.

Description of Objective: The CivicPlus project has improved the Town's web presence, but does not fully address the needs of citizens and Town staff.

Additional desired features must be based on the CivicPlus design and require contract changes. Priority is to develop a site design to upgrade the Town website to provide the functionality we gained with CivicPlus and to provide a foundation for adding features as we move forward.

Purpose/Rationale/Link to Comprehensive Plan: Steward the Organizational Culture Change

Council Champion:

Responsible Management Team Member: Information Technology Director Bob Avery

Resources needed: Estimated costs for FY 2007-2008 are \$10,000 to \$15,000

Performance Measurement: Increased interaction of citizens with the Town's web site

Timeline: June 2008.

Barriers and Dependencies: The project will require programming assistance from commercial or temporary help resources.

2007 TOWN OBJECTIVES

Budget Discussion

Provide training and upgrades to enhance Geographic Information System (GIS) data resources as a shared planning and evaluation tool

Objective Statement: Upgrade Geographic Information System (GIS) data resources as a shared planning and evaluation tool and provide training for Town staff to utilize resources more effectively.

Description of Objective: The Town uses GIS data in many departments to manage a variety of services and projects. The data resources are primarily dependent on monthly updates from Orange County that are distributed manually. Online access to both GIS data resources and web enabled resources are needed. The Town is developing a database server and coordinating with Orange County to establish automated data update services. Additional staff training and software development tools are needed.

Purpose/Rationale/Link to Comprehensive Plan: Steward the Organizational Culture Change/Maintain and Improve Community Facilities and Services

Council Champion:

Responsible Management Team Member: Information Technology Director Bob Avery, and Engineering Director George Small

Resources needed: Current year funding provides for the purchase of several critical components: (1) GIS Database server; (2) GIS Web server; and (3) development of procedures for data replication with Orange County. The 2007 Budget must fund continued system design and implementation needs including: (1) web and database design services; (2) data connectivity with Orange County; (3) large format scanning capability; (4) plotter for Town Operations Center; (5) individual staff training in vendor classrooms; and (6) group staff training with vendor instructor in Town classroom. Estimated costs for additional resources needed in FY 2007-2008 budget is \$31,000.

Performance Measurement: Implementation of online database and web based services.

Timeline: Database installation – six months; Website installation – nine months; Staff training – 12 months

Barriers and Dependencies: The effectiveness of database update services will depend on our ability to connect to Orange County Land Records servers. We are currently working with Orange County to establish reliable and cost effective network connectivity for this purpose.

2007 TOWN OBJECTIVES

Budget Discussion

To review and update the Town's employee performance evaluation system

Objective Statement: To improve communication with employees about performance consistent with town objectives by reviewing and updating the Town's employee performance evaluation system.

Description of Objective: To establish a town-wide standard for performance evaluation, assess how well current systems meet those standards and revise as appropriate. To establish common understanding and acceptance of the system. To train supervisors and employees in new systems.

Purpose/Rationale/Link to Comprehensive Plan: Section 14.0 Town Government: 14.2 Goals, Objectives and Policies: "Administration: Objective: Efficient and equitable administration of Town functions

Council Champion:

Responsible Management Team Member: Human Resources Director

Resources needed: Funding to engage outside consultants to assist in program assessment and redesign - \$25,000.

Time allocation for meetings with Department Heads, and groups of employees or employee committees to participate in review. Process would include survey of successful programs in other organizations, research and evaluation of software programs for use in evaluation processes and documentation

Performance Measurement: The product would be an employee evaluation system with measurements, education and training on use by employee and supervisors, and a periodic review schedule. Product would also include a cadre of supervisors trained on conducting effective evaluations

Timeline: One year from research and planning to full implementation.
Two years from inception to assessment of impact and successful outcomes

Barriers and Dependencies:

- Current variance between evaluation systems throughout the Town and within divisions of some larger departments. One issue would be whether the program would be uniform across the organization or would allow variation based on differences in primary functions performed.
- A big issue to be decided is whether the evaluation system would be linked to decisions on employee pay.
- If linked, likely increases in pay increase funds to support variable pay based on performance levels.

- Currently, employees hold varying opinions on how pay should be administered, whether it should be linked to performance or should be cost-based or seniority-based, and how performance should be measured.

2007 TOWN OBJECTIVES

Budget Discussion

To review and update the Town's employee performance evaluation system

Objective Statement: To improve communication with employees about performance consistent with Town objectives by reviewing and updating the Town's employee performance evaluation system.

Description of Objective: To establish a Town-wide standard for performance evaluation, assess how well current systems meet those standards and revise as appropriate. To establish common understanding and acceptance of the system. To train supervisors and employees in new systems.

Purpose/Rationale/Link to Comprehensive Plan: Section 14.0 Town Government: 14.2 Goals, Objectives and Policies: "Administration: Objective: Efficient and equitable administration of Town functions

Council Champion:

Responsible Management Team Member: Human Resources Director Pam Eastwood

Resources needed: Funding to engage outside consultants to assist in program assessment and redesign - \$75,000.

Time allocation for meetings with department heads, and groups of employees or employee committees to participate in review. Process would include survey of successful programs in other organizations, and research and evaluation of software programs for use in evaluation processes and documentation.

Performance Measurement: The product would be an employee evaluation system with measurements, education and training on use by employee and supervisors, and a periodic review schedule. Product would also include a cadre of supervisors trained on conducting effective evaluations.

Timeline: One year from research and planning to full implementation. Two years from inception to assessment of impact and successful outcomes.

Barriers and Dependencies:

- Current variance between evaluation systems throughout the Town and within divisions of some larger departments. One issue would be whether the program would be uniform across the organization or would allow variation based on differences in primary functions performed.
- A big issue to be decided is whether the evaluation system would be linked to decisions on employee pay.
- If linked, likely increases in pay increase funds to support variable pay based on performance levels.

- Currently, employees hold varying opinions on how pay should be administered, whether it should be linked to performance or should be cost-based or seniority-based, and how performance should be measured.

2007 TOWN OBJECTIVES

Budget Discussion

Allocate resources to thoroughly review and comment on proposals for development of Carolina North

Objective Statement: Prepare a Development Agreement or similar negotiated zoning solution between the Town and the University for the Horace Williams property (aka Carolina North).

Description of Objective: Identify and marshal resources necessary to draft a mutually acceptable Development Agreement/zoning solution for future development of the Horace Williams property (aka Carolina North) in accordance with the principles discussed in the Chapel Hill Horace Williams Citizens' Committee foundation studies, the University's Leadership Advisory Committee report, and the summary report from the Infrastructure and Sustainable Design Workshops sponsored by the University.

Purpose/Rationale/Link to Comprehensive Plan: Cooperatively plan with the University of North Carolina at Chapel Hill

Council Champion:

Responsible Management Team Member: Town Manager Roger L. Stancil, Planning Director J.B. Culpepper, Engineering Director George Small

Resources needed: Town and University staff will require professional assistance to coordinate and facilitate the development of a mutually acceptable zoning solution for the Horace Williams Property. We anticipate that necessary professional services will cost approximately \$100,000. Funding could be shared between the Town and the University.

Investment of significant staff time and resources, involving several Town departments, will be necessary to negotiate a mutually acceptable agreement for a zoning solution.

Performance Measurement: Completion and execution of an agreement.

Timeline: Nine to 12 months depending on elements determined to be necessary for implementation of the agreement.

Barriers and Dependencies: Schedule is dependent on: early decisions and direction from Town and University officials; availability of staff resources necessary for preparing a draft agreement document; and review and approval of a final agreement document by the Town Council and the University.

2007 TOWN OBJECTIVES
Budget Discussion
Update Chapel Hill Comprehensive Plan

Objective Statement: Update Chapel Hill Comprehensive Plan

Description of Objective: To update and expand the adopted 2000 Chapel Hill Comprehensive Plan.

Purpose/Rationale/Link to Comprehensive Plan: The update is necessary to incorporate new information on existing themes and to include several new themes.

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper

Resources needed: Allocation of existing staff time

Performance Measurement: Completion of the Plan update

Timeline: Based on existing work load, project to be completed by December 2007.

Barriers and Dependencies: Schedule is dependent on availability of necessary staff resources and timely review and approval by the Town Council. Planning Board disagrees with Council direction and schedule for Plan update.

2007 TOWN OBJECTIVES

Budget Discussion

Inclusionary Zoning Ordinance

Objective Statement: Develop an Inclusionary Zoning Ordinance.

Description of Objective: The recommendations of the Inclusionary Zoning Task Force included:

- Comprehensive strategies for achieving affordable housing in developments involving five or more new housing units;
- Allowance of density credits to offset costs;
- Continued insistence on permanent affordability;
- Expansion of mechanisms to ensure permanent affordability to include more than the land trust model;
- Service to households below (and up to) 80 percent of the area median income; and
- Establish a new Town advisory board to make ongoing recommendations on affordable housing related issues.

Purpose/Rationale/Link to Comprehensive Plan: Provision of Affordable Housing.

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper

Resources needed: On January 22, 2007, the Council enacted an ordinance to allocate funds to hire a consultant to prepare a draft Inclusionary Zoning Ordinance.

Performance Measurement: Enactment of changes to the Land Use Management Ordinance to provide an Inclusionary Zoning Ordinance.

Timeline: Town Council consideration of an inclusionary zoning ordinance could occur as early as June 11, 2007. Enactment of an ordinance could affect staff funding required for code enforcement.

Barriers and Dependencies: Schedule is dependent on review and approval by Town Council.

The Task Force's report also identifies the following areas that require the Council to make policy decisions:

- Density credits
- Income levels for affordable housing units or lots
- Price of affordable units or lots
- Affordability controls; resale of affordable housing units or lots

2007 TOWN OBJECTIVES
Budget Discussion
Expand Tree Protection Regulations

Objective Statement: Establishment of a new vision statement which would call for no net loss of trees/canopy cover and an increase in trees proportional to population growth.

Description of Objective: To amend the Land Use Management Ordinance, as recommended by the Planning Board, to require greater protection and preservation of trees on all property with permitting required for tree removal and required replanting or payment to a tree fund.

- New regulations would apply to all regulated land uses, including single-family and two-family.
- Regulations would account for variation among species, and are particular to our region, climate, and town eco-systems.
- Regulations would reduce the diameter of trees required to be surveyed.
- Regulations shall include a permitting process for tree removal with financial disincentives for unauthorized tree removal.
- There shall be punitive fines for the violation of these regulations.
- The Town shall form a Tree Protection Board to hear complaints against the permitting process and imposed fines.
- The revenue stream generated by the Tree Preservation Regulations shall be used for landscaping public property and streetscapes.

Purpose/Rationale/Link to Comprehensive Plan: To conserve and protect the natural setting of Chapel Hill.

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper, and Public Works Director Bill Letteri

Resources needed: Initially, professional services are anticipated to be at approximately \$25,000 to craft this new approach to Tree Protection, which will involve creating an ordinance and establishing an oversight board and Tree Fund. Specific amount required for the consultant's work would not be known until Requests for Proposals are received. Regarding resources needed to administer the new program, it is anticipated that the consultant would report on staff resources needed to run the new program, including staffing for issuance of permits to cut trees and to describe the regulations, staffing to inspect trees, staffing to enforce the new regulations, and needs related to management of the Tree Board and Tree Fund.

Performance Measurement: Performance is measured by the completion of the consultant's work.

Timeline: Six to 12 months for enactment and implementation

Barriers and Dependencies: Schedule is dependent on availability of necessary staff resources and review and approval by the Town Council. Complexity of final ordinance and degree of public involvement and education affects schedule.

2007 TOWN OBJECTIVES

Budget Discussion

Payments in lieu of transportation infrastructure improvements for new development projects

Objective Statement: Amend the Land Use Management Ordinance and Transportation Impact Analysis provisions to allow payments to the Town in lieu of transportation infrastructure improvements for new development projects.

Description of Objective: Enable the Town to accept payments in lieu of transportation infrastructure improvements for development and redevelopment projects.

Purpose/Rationale/Link to Comprehensive Plan: Work toward a balanced transportation system.

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper, Engineering Director George Small, Transportation Director Steve Spade

Resources needed: Existing Planning and Engineering staff will work with Town Attorney to draft amendments to the Land Use Management Ordinance and changes in the policy and procedures for Traffic Impact Analysis as necessary to implement new State enabling legislation that would allow payments to the Town in lieu of transportation infrastructure improvements associated with development and redevelopment projects.

Performance Measurement: Enactment and implementation of changes in local regulations and procedures in response to new State legislation concerning payments in lieu of transportation improvements.

Timeline: Six to 12 months

Barriers and Dependencies: Schedule is dependent on availability of necessary staff resources and review and approval by Town Council.

2007 TOWN OBJECTIVES

Budget Discussion

Overview of Northwest Area

Objective Statement: Rationalize northwest quadrant development activities

Description of Objective: Provide a coordinated and comprehensive overview of development activity and planning efforts occurring in the northern area of Chapel Hill and in the Chapel Hill/Orange County Joint Planning Transitional Area. The intended outcome is to provide information that the Council and citizens can use to better understand the scope and impacts of development activity occurring and/or proposed in the northern area of Town; and to learn about planning efforts and opportunities intended to manage growth in this area.

Purpose/Rationale/Link to Comprehensive Plan: A Council Work Session (scheduled for March 7, 2007) will provide an opportunity to discuss a number of major themes of the 2000 Comprehensive Plan as they relate to the north and northwest areas of Town:

- maintaining the urban service boundary
- conserving and protecting existing neighborhoods from infill
- identifying areas for creative development opportunities
- encouraging desirable forms of non-residential development
- creating affordable housing opportunities
- working toward a balanced, multi-modal transportation system
- working to complete the Town-wide network of sidewalks, bikeways, and greenways

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper and Engineering Director George Small

Resources needed: Existing Planning and Engineering staff resources will prepare a coordinated overview of current and proposed development activity in the northern multi-jurisdictional area, including discussion of planning and transportation/stormwater management opportunities that would respond to development-related impacts.

Performance Measurement: Complete comprehensive overview report including support materials.

Timeline: Present report for discussion at March 7, 2007 Council Work Session.

Barriers and Dependencies: Significant Planning and Engineering staff work will be necessary over the next six weeks. It is likely that some currently scheduled work will need to be deferred to allow for completion of this report before March 7th.

2007 TOWN OBJECTIVES

Budget Discussion *Carbon Reduction*

Objective Statement: Engage a consultant to develop programs to meet Town commitments to reducing carbon greenhouse gas emissions.

Description of Objective: Identify and obtain the resources needed to develop specific action plans that will respond to identified opportunities to reduce the Town's production and release of carbon emissions.

Purpose/Rationale/Link to Comprehensive Plan: Implement strategies to enhance local air quality.

Council Champion:

Responsible Management Team Member: Assistant Town Manager Bruce Heflin, Planning Director JB Culpepper, and Public Works Director Bill Letteri

Resources needed: A combination of staff time and consulting planners is required to work with the products of the currently ongoing International Council of Local Environmental Initiatives (ICLEI) study of Orange County greenhouse gas emissions inventory. This study will identify amounts and sources of carbon emissions and will produce a local action plan for the County. Producing detailed implementation strategies could begin in the summer of 2007. The Council's Sustainability, Environment and Energy Committee will likely guide this work.

Consulting help could cost \$25,000 +.

Performance Measurement: A plan that the Council adopts.

Timeline: Approximately 6 months.

Barriers and Dependencies: Strategies that result in significant reduction of carbon emissions will likely entail significant expense and/or major changes to currently accepted ways of doing business. There will likely be conflicts between carbon reduction and other goals, such as reducing initial costs of capital purchases.

Longer range goals that would affect the community as a whole would require broader policy changes and behavioral changes of groups and individuals.

2007 TOWN OBJECTIVES

Budget Discussion

Replace financial data and reporting system

Objective Statement: Replace financial data and reporting system.

Description of Objective: Replace the current financial system with one that is stable and efficient and produces reports without significant additional staff interventions. Potentially, this is the backbone for Town-wide administrative system.

Statement of Current Problem: The Town's current financial system is unstable. We have had major issues with the vendor including corruption of payroll data, frequent inability to do simple functions like closing a purchase order, and programming errors such as the one which has prevented us from closing accounting records at the end of a year for two weeks. Since the program is used for all departments, we have had staff-wide problems with inefficient data entry and entry where multiple fields need to be updated with the same information.

Purpose/Rationale/Link to Comprehensive Plan: Responsive, interactive government; (2) high quality; and (3) efficient services.

Council Champion:

Responsible Management Team Member: Finance Director Kay Johnson

Resources needed: In 2007-08, we need a staff committee to evaluate financial programs that are more stable, more efficient, allow easier data entry and manipulation, and readily linked to other software programs that the Town uses. A new program would also need to be able to incorporate web payments systems and to provide data to the web for citizens and staff.

We could be in a position to recommend an alternative program in 2008-09. While we have not begun any program evaluation, we anticipate that the program could cost in excess of \$500,000.

Performance Measurement: Reduction in staff time required for various reporting and data entry functions based on the number of transactions.

Timeline: Research and evaluate programs in 2007-08. Install program in 2008-09.

Barriers and Dependencies: The potential cost of the program; the availability of staff time to work on the installation and training for a new program; and the need to tie the program to other Town software programs.

2007 TOWN OBJECTIVES

Budget Discussion

Develop a radio frequency identification program for the Library

Objective Statement: Develop a radio frequency identification program for the Library.

Description of Objective: Install a radio frequency identification system (RFID) to handle inventory control, speed up the checkout process at the circulation desk, and provide patrons with the option of self-checkout.

Purpose/Rationale/Link to Comprehensive Plan: This project reflects goals identified in 11A-6 of the Comprehensive Plan and the Library Master Plan regarding implementation of cost-effective technologies that expand and enhance services for citizens.

Council Champion:

Responsible Management Team Member: Library Director Kathleen Thompson

Resources needed: \$211,000 from Library Gift Funds.

Performance Measurement: Twenty percent self-checkout rate achieved in first year of operation; a 30 to 40 percent self-checkout rate achieved in second year of operation; a 30 to 40 percent decrease in required circulation desk staff hours by the third year of operation; a potential circulation desk staff cost savings of \$70,000 to \$92,800 per year.

Timeline: Purchase the system in 2006-2007, convert the collection to RFID tags and install the necessary equipment over 18 months to be operational in 2008-2009.

Barriers and Dependencies: Project funds are dependent on sufficient Library Gift Fund revenues through 2007-2008.

2007 TOWN OBJECTIVES

Budget Discussion

Provide public safety radio system interoperability for emergency response

Objective Statement: Improve public safety response by implementing interoperable radio system.

Description of Objective Implement full participation by Fire and Police in State established VIPER 800 MHz public safety radio system.

Purpose/Rationale/Link to Comprehensive Plan: Provides state-of-the-art radio communication for public safety units. Provides interoperable capabilities within region for mutual aid cooperation.

Addresses several comprehensive plan objectives, including provide quality community services, participation in regional planning, and cooperative planning with UNC.

Council Champion:

Responsible Management Team Member: Fire Chief Dan Jones and Police Chief

Resources needed: Using federal and State grants the Fire Department has acquired sufficient numbers of portable radios and supporting technologies - \$70,000 in the current (2006-07) CIP will complete radio purchase for the Fire Department vehicles.

The Police Department has used grant dollars to purchase the majority of portable radios needed and is currently waiting to hear if the NC Secretary of Crime and Public Safety will approve an interlocal agreement that will provide the Chapel Hill Police with \$232,000 in Homeland Security grants to purchase the vehicle radios and remaining portable radios needed. If that grant is not approved, the Police will need to purchase six additional portable radios at a cost of \$28,800 in general funds in order to implement the system at a basic level.

In future years, equipment maintenance and replacement costs will escalate due to the higher costs associated with trunked radio systems.

Performance Measurement: Operational implementation of the radio system.

Timeline: Implementation by Summer 2007.

Barriers and Dependencies: Delays by Orange County 911 Center in conversion to VIPER system. Dependent upon the State to maintain the radio system infrastructure.

2007 TOWN OBJECTIVES

Budget Discussion

Reverse 911

Objective Statement: Provide mass contact emergency public information communications program (Reverse 911).

Description of Objective: Acquire or contract a system that permits the Town of Chapel Hill to communicate emergency or key community information to all citizens and businesses by telephone in rapid fashion. Systems that allow Town of Chapel Hill to direct specific information to identified regions or neighborhoods or general information to all.

Purpose/Rationale/Link to Comprehensive Plan: Comprehensive Plan—provide quality community facilities and services. Value of being able to communicate information directly to the public on subjects such as community emergencies, evacuations, road closings, severe weather, shelters, important public meetings, service delivery changes, etc.

Council Champion:

Responsible Management Team Member: Fire Chief Dan Jones

Resources needed: Funding for implementation and/or contract. Estimated at \$45,000 if we have our own program. However, Carrboro, OWASA and UNC have expressed interest in a partnership and sharing of the system, thus reducing our cost.

Performance Measurement: Implementation of system and testing of same.

Timeline: Implementation by Fall of 2007.

Barriers and Dependencies: None obvious.

2007 TOWN OBJECTIVES

Budget Discussion

Design and construct upgraded computerized traffic signal system to include backbone for enhanced connectivity throughout Town.

Objective Statement: Upgrade the Chapel Hill-Carrboro traffic signal system to include communication capacity for use by Chapel Hill and identified partnering entities and advance the Council's interest in connectivity.

Description of Objective: Collaborate with the NCDOT to design and construct a state-of-the-art traffic signal system using fiber-optic communication cable and including separate fiber-optic cable capacity for use by the Town to improve traffic flow and reduce emissions; inter-connect Town facilities; facilitate public safety communications; and provide communication capability for Town partners that could include the public school system, the University, Orange County, the UNC Hospitals, and others.

Purpose/Rationale/Link to Comprehensive Plan: Provide quality community facilities and services. Work toward a balanced transportation system.

Council Champion:

Responsible Management Team Members: Engineering Director George Small and Information Technology Director Bob Avery

Resources needed: Staff time: Existing Engineering and Information Technology staff will work with NCDOT consultant and staff to design a project capable of achieving the dual objectives of (1) upgrading the traffic signal system and (2) providing separate communication capacity for use by Chapel Hill and its partners. Funding for Town participation in the traffic signal system improvements is included in the Capital Improvements Program (CIP). Funding for the estimated costs of the separate communication capacity desired by the Town is also included in the CIP and will be revised as necessary when system design is completed. Project construction inspection and approval will require involvement of both Town and State staff.

Performance Measurement: Completion of design and construction of project.

Timeline: Design: 18 months. Construction: 24 months.

Barriers and Dependencies: Start dates for design and construction are dependent on State Transportation Improvement Program funding. Construction could be delayed by failure of utility service providers (electric, phone, cable) to adjust their facilities in a timely manner as necessary to accommodate installation of the new fiber-optic cables.

2007 TOWN OBJECTIVES

Budget Discussion

Add maintenance personnel for fire apparatus

Objective Statement: Add maintenance personnel for fire apparatus

Description of Objective: To ensure the Comprehensive Plan standard for fire response standard is met.

Purpose/Rationale/Link to Comprehensive Plan: According to the Town's Comprehensive Plan, "Currently, fire services are provided on the basis of a one and one-half mile response radius from each station, to ensure an emergency response of less than five minutes. This standard is based upon recognized and accepted professional practice and also reflects the residents demand for fire protection service. The standard is used to determine the need for additional fire equipment and facilities."

Within the last five years the Fire Department has added one new station. Additionally, 10 front line and reserve pieces of equipment and 11 pieces of command and support equipment must be maintained to a standard of 95 percent availability.

Council Champion:

Responsible Management Team Member: Public Works Director Bill Letteri

Resources needed: \$70,000 in personnel and equipment costs.

Performance Measurement: Maintain a maximum response radius of 1-1/2 miles from each station and an emergency response time of less than five minutes." Maintenance standards for fire apparatus is 95 percent availability. It is also imperative that the Town maintain the current ISO (Insurance Services Office) rating, which measures a Town's ability to combat/suppress fires.

Timeline: Assume 7/1/07 Hire Date.

Barriers and Dependencies: A full time fire apparatus mechanic will ensure that the Town's emergency response fleet will continue to provide a level of service that citizens have come to expect.

2007 TOWN OBJECTIVES

Budget Discussion

Additional staffing for Chapel Hill Transit

Objective Statement: Ensure efficient, cost-effective transit service by providing adequate staffing to properly maintain vehicles and respond to community and employee needs.

Description of Objective: Hire five mechanics, and operations and planning staff.

Purpose/Rationale/Link to Comprehensive Plan: An effective public transit system is key to Comprehensive Plan goals of deemphasizing dependence on the automobile, supporting denser development and preserving the ambience of the community.

Council Champion:

Responsible Management Team Member: Transportation Director Steve Spade

Resources needed: Budget funding for five mechanics

Total Cost \$274,725

Additional Cost to Town Budget* **87,912**

Budget requirements for Scheduling and Planning positions

Total Cost \$ 133,676

Existing Budget 54,170

Federal Planning Grant 50,000

Local Cost 29,506

Additional Cost to Town Budget* **\$9,441**

Performance Measurement:

- Per cent of preventative inspections completed on time
- Reduction of maintenance overtime
- Reduction in mechanical breakdowns per 100 miles
- Increase in system on time performance
- improved pay hour / platform time productivity
- Reduction in schedule complaints

Timeline: Positions should be filed as soon as possible.

Barriers and Dependencies:

The maintenance department has 11 mechanics for a fleet of 99 buses and 22 demand response vehicles. Peer comparison and recent studies indicate that at least five mechanics are needed to establish adequate staffing levels. The current shortage causes increased operating cost and reduced system reliability as indicated by the following:

1. Less than 50 percent of the required preventative maintenance is completed on time.
2. Crews have worked regular overtime since May in order to meet daily pull out requirements.

3. Current staff has no expertise in electronic equipment maintenance and repair.

Scheduling and planning expertise is necessary to:

1. monitor and evaluate system performance;
2. respond to community requests for service; and
3. construct efficient and accurate bus schedules.

These two staff positions will improve Transit's ability to respond to employee and public issues regarding schedules and service needs. Efficient construction of runs (daily work for drivers) can save significant dollars in efficiencies.

Half of the cost of these positions can be funded by planning grants.

*Allocated cost to Town Budget is based on the FY 2006-07 budget allocation formula for Chapel Hill, UNC & Carrboro.

2007 TOWN OBJECTIVES

Budget Discussion

Code Enforcement Officer

Objective Statement: To improve effectiveness of Town codes through enforcement and education by adding a code enforcement officer within the Inspections Department.

Description of Objective: To increase the effectiveness of enforcement measures by improving the response time to citizen complaints, improving the follow-up time on active complaint files, and increasing the number of times the Town contacts and documents communication with the property owners and occupants of property in violation to meet documentation standards for the complaints taken to court. The complaints addressed by this department include the Minimum Housing Code (Chapter Nine of the Town Code of Ordinances), the Land Use Management Ordinance Articles, which require the issuance of a Zoning Permit, and the State Building Code and General Statutes as it relates to Building Permit requirements and habitability.

Purpose/Rationale/Link to Comprehensive Plan: Article 7.2 of the Town of Chapel Hill Comprehensive Plan, Housing Quality, requires all housing development to meet applicable local, state and federal standards and guidelines, including design quality, safety, health, and energy efficiency. The code enforcement officer position directly addresses and works to satisfy this directive.

Council Champion:

Responsible Management Team Member: Inspections Director Lance Norris

Resources needed: \$71,068 for salary and equipment cost.

Performance Measurement: The performance measure used to quantify the effectiveness of the Code Enforcement Officer is the complaint response time, which is calculated by dividing the total number of working days between the receipt of a complaint and the response by the total number of complaints. A response is some enforcement action such as scheduling or performing an inspection.

Timeline: The proposed timeline is to add the code enforcement officer position July 1, 2007.

Barriers and Dependencies: It will be necessary for this Department to maintain a vehicle, supplies, and an office space, including a desk and computer which is currently available.

2007 TOWN OBJECTIVES

Budget Discussion

To review and update the Town's employee performance evaluation system

Objective Statement: To improve communication with employees about performance consistent with town objectives by reviewing and updating the Town's employee performance evaluation system.

Description of Objective: To establish a town-wide standard for performance evaluation, assess how well current systems meet those standards and revise as appropriate. To establish common understanding and acceptance of the system. To train supervisors and employees in new systems.

Purpose/Rationale/Link to Comprehensive Plan: Section 14.0 Town Government: 14.2 Goals, Objectives and Policies: "Administration: Objective: Efficient and equitable administration of Town functions

Council Champion:

Responsible Management Team Member: Human Resources Director

Resources needed: Funding to engage outside consultants to assist in program assessment and redesign - \$25,000.

Time allocation for meetings with Department Heads, and groups of employees or employee committees to participate in review. Process would include survey of successful programs in other organizations, research and evaluation of software programs for use in evaluation processes and documentation

Performance Measurement: The product would be an employee evaluation system with measurements, education and training on use by employee and supervisors, and a periodic review schedule. Product would also include a cadre of supervisors trained on conducting effective evaluations

Timeline: One year from research and planning to full implementation.
Two years from inception to assessment of impact and successful outcomes

Barriers and Dependencies:

- Current variance between evaluation systems throughout the Town and within divisions of some larger departments. One issue would be whether the program would be uniform across the organization or would allow variation based on differences in primary functions performed.
- A big issue to be decided is whether the evaluation system would be linked to decisions on employee pay.
- If linked, likely increases in pay increase funds to support variable pay based on performance levels.

- Currently, employees hold varying opinions on how pay should be administered, whether it should be linked to performance or should be cost-based or seniority-based, and how performance should be measured.

2007 TOWN OBJECTIVES

Budget Discussion

To review and update safety/workers compensation drug testing programs

Objective Statement: To improve safety in the workplace and reduce costs of an unsafe workplace by a review and update of safety/workers compensation/ drug testing programs.

Description of Objective: A systematic review of these current Town policies and programs, including service standards and performance levels of outside vendors, assessment of present compliance levels with regulatory requirements and development of a plan and schedule for achieving and maintaining practical and realistic compliance and reporting requirements in all program areas. Policy review and assessment may lead to changes in current practices and options for cost reductions over time

Purpose/Rationale/Link to Comprehensive Plan: Section 14.0 Town Government: 14.2 Goals, Objectives and Policies: “Administration: Objective: Efficient and equitable administration of Town functions

Council Champion:

Responsible Management Team Member: Human Resources Director

Resources needed:

- Funding for objective program assessments by outside experts and recommendations for change and cost estimates of staffing and funding needed to successfully maintain effective compliance. \$15,000
- Emphasis from top management on compliance, effective cost management and consistent application of internal practices which achieve these objectives
- Positive and negative reinforcement of actions to alter current culture, norms and perceptions about these issues.

Performance Measurement:

- Documented compliance records
- Validation of program performance and compliance levels by outside regulatory entities.
- Reduction over time in accident and injury rates, related costs and losses.

Timeline:

- Engagement of outside evaluators for programs: within 3 months of initiation
- Completion and receipt of reports and recommendations from outside evaluations: within 6 months of initiation
- Implementation of recommendations, staffing or policy changes: 9-12 months from program initiation.
- Reduction in accident/injury rates, related costs and losses of Town property: 12-24 months from start of initiative

Barriers and Dependencies:

- Need to change current beliefs and norms on acceptable levels of accident/injury/costs and losses
- Insufficient resources (specifically staffing, outside expertise and authority levels) to effect changes in policies and practices
- .Probable need to replace some current and long-established service providers.
- Perception of these programs as hygiene factors rather than management priorities.
- Competing demands of operations requirements and scarce resources.

2007 TOWN OBJECTIVES

Budget Discussion

Consider increased financial support for public housing

Objective Statement: Maintain and improve community facilities and services

Description of Objective: For the past three years, federal subsidy for the public housing program has declined and is expected to continue to decline. We will not be able to continue the current level of property maintenance and services to residents of public housing. For the past year, after funding reductions resulted in the elimination of a resident services position, we have been sorely limited in our ability to provide social services for residents of public housing.

This objective is key to the operations of the public housing program and our ability to provide services for the residents. It would assure that funding is appropriated to cover the difference between funding and expenditures and provide for a part-time resident services staff person. In 2007-2008, total revenues are estimated to be \$1,422,724 (\$1,000,724 – subsidy from HUD, \$422,000 - rents). Expenditures for 2007-2008, including a part-time resident services staff person, are estimated to be \$1,612,163. The difference is estimated to be \$189,439. We cannot use fund balance to cover the shortfall as we have done in the past. In December 2006, we received notice from HUD that our fund balance is below the required amount. HUD requires that public housing agencies maintain a fund balance sufficient to cover 4.9 months of operations. Our fund balance amount would cover 3.40 months of operations.

Purpose/Rationale/Link to Comprehensive Plan: The purpose and goal of the public housing program is to provide decent, safe, sanitary and affordable housing for low-income individuals. The purpose of the public housing program is consistent with the housing major theme of the Comprehensive Plan—to increase the availability of well-designed, affordable, safe and sanitary housing for all citizens of Chapel Hill.

Council Champion:

Responsible Management Team Member: Housing Department Director Tina Vaughn

Resources needed: Town funding, sufficient to cover the difference between estimated expenses and income. The amount needed is \$189,439.

Performance Measurement: The fund balance for the public housing program will be within recommended federal guidelines, and we will not be required to report to HUD on the financial state of the Housing Department.

Timeline: Town funding is needed by July 1, 2007. Performance measurement timeline is July 1, 2007 to June 30, 2008.

Barriers and Dependencies: Budget approval

2007 TOWN OBJECTIVES

Budget Discussion

Increase planning and funding to maintain aging Town facilities

Objective Statement: To protect the Town's investment in facilities by increasing planning and funding to maintain aging Town facilities.

Description of Objective: Increase funding levels to support routine facilities maintenance and repairs to reduce or eliminate growing deferred maintenance liabilities and centralized management of the facilities maintenance and improvement program.

Purpose/Rationale/Link to Comprehensive Plan: This objective relates specifically to the Comprehensive Plan is, goal of providing community facilities and services that meet the physical, social, and cultural needs of Chapel Hill's population by acknowledging the importance and need to maintain and preserve the Town's real property inventory (more than 40 buildings valued in excess of \$50 million).

Council Champion:

Responsible Management Team Member: Public Works Director Bill Letteri

Resources needed: Facilities assessment, planning, maintenance, repairs and capital planning should be administered by trained, experienced facilities and construction management staff. Additional funds will be needed to purchase and implement a "work order management" system (\$75,000).

Performance Measurement: Backlog of Maintenance and Repair. We conduct formal facilities condition assessments every five years. As part of this assessment, each building is assigned a Facility Condition Index (FCI) score expressing the backlog of maintenance and repair as a percentage of the building replacement value. In 2000, we had 17 buildings in good condition, six in fair condition and 23 in poor condition.

Timeline: Phased over 3 years.

Barrier and Dependencies: Centralized management of maintenance and repair dollars. Increased funding will compete with other budget priorities. Maintenance activities can easily be under funded. Building components are often neglected, resulting in failed systems, unsafe conditions, premature aging and high renovations costs. Current budget levels of less than \$1.00 per square foot per year for facility maintenance compares unfavorably with the industry standard of \$2-3.00 per square foot. Our practice has been to provide minimal levels of operational funding for maintenance, allow buildings to deteriorate over time and conduct expensive renovations at 15 to 20 year intervals. We need to change this practice to emphasize ongoing maintenance and reduce the need for unplanned and expensive renovations.

2007 TOWN OBJECTIVES
Budget Discussion
Continuation of Active Living By Design

Objective Statement: Continuation of Active Living By Design.

Description of Objective: In 2003, the Town received a \$200,000 five-year grant from the Robert Wood Johnson Foundation to initiate the Active Living By Design Program, designed to promote active living through programming and physical design. The grant proposal included the preparation of a mobility assessment for the Northside area, a study of the Timberlyne area, NC 86/MLK Jr. Boulevard Corridor, encouragement to students for walking to school, and general encouragement of more daily activity for Chapel Hill citizens. Funding for staff support will be expended at the end of the current fiscal year. The program grant continues through October 2008.

Purpose/Rationale/Link to Comprehensive Plan: The Council has directed that a new theme be added to the Chapel Hill Comprehensive Plan dealing with public health, active living and the built environment. Elements of this theme will also be incorporated into other sections of the Comprehensive Plan.

Council Champion:

Responsible Management Team Member: Planning Director J.B. Culpepper

Resources needed: Funding to continue support for a staff position to oversee the remaining programs through 2008. Funding of a full-time position is requested to promote the public health and active living objectives of the grant (\$61,444 with salary and benefits). We believe the grant programs could proceed at a minimal level with funding for a 50 percent staff position, though we do not recommend this approach (\$30,722 with salary and benefits).

Performance Measurement: Increased awareness of link between built environment and public health. Expansion of walk to school programs, identification of pedestrian and bicycle improvements within Chapel Hill neighborhoods, and increased use of transportation alternatives by Chapel Hill businesses as measured through transportation management plan surveys. Impacts on commuting patterns of both Town employees and employees in the broader community will be measured as part of the Town's CRED commitment.

Timeline: Ongoing – grant funding continues through October 2008.

Barriers and Dependencies: Funding is dependent on Council decision to fund the position. Implementation of remaining grant monies may be at risk.

2007 TOWN OBJECTIVES

Budget Discussion

Provide better integrated parking meter and lot payment methods.

Objective Statement: Improve customer service, parking enforcement and revenue flow through better integrated parking meter and lot payment methods.

Description of Objective: Provide method for making credit card payments at meters and lots.

Purpose/Rationale/Link to Comprehensive Plan: Responsive, interactive government, (2) high quality, and (3) efficient services.

Council Champion:

Responsible Management Team Member: Finance Director Kay Johnson

Resources needed: \$230,000 to replace on-street meters.

Performance Measurement: Reduction in number of complaints from downtown area businesses regarding ease of parking in Chapel Hill.

Timeline: Stations could be installed over a six to nine month period.

Barriers and Dependencies: A replacement meter system would require removing meters and using pay stations at a rate of approximately one station for every eight parking places. Customers would need to walk to the stations. Depending on the set-up, they might also need to return to the stations and place a receipt on the dash board. A new system would require additional accounting for credit card reconciliation, but would allow customers to use less cash.

2007 TOWN OBJECTIVES

Budget Discussion

Technology Improvements

Objective Statement: Technology Improvements (includes Technology “Shopping Basket” and other Council Retreat items)

Description of Objective: The Town has begun a process to develop a master technology plan to guide procurement and management of technology resources and applications. An initial technology needs assessment is in progress and will be completed by April 2007. A Staff Technology Team is also reviewing technology needs. Additionally, Town departments have prepared budgets that include technology needs.

The Council Retreat discussion items included short-term (1 year) and long-term (2-5 year) technology items. Twenty-three items were grouped as “technology related” and are listed on the attached list. Ten of these items are discussed in separate budget discussion memos. The remaining thirteen items are grouped by the type of resource needed.

The attached list is not a comprehensive list of all Town technology needs. A revised list will be developed after the completion of the needs assessment.

Purpose/Rationale/Link to Comprehensive Plan: Maintain and Improve Community Facilities and Services

Council Champion:

Responsible Management Team Member: Deputy Town Manager Florentine Miller, and Information Technology Director Bob Avery

Resources needed: The resources needed include staff time to conduct evaluations, consultant services, contracted services, equipment purchases, and system or software purchases. Estimates of FY 2007-2008 costs are listed for each item on the attached list.

Performance Measurement: Objective completion.

Timeline: Short term items - one year; long term items – two to five years.

Barriers and Dependencies: The technology improvement list is a preliminary list of technology improvements that will be considered along with the results of the Technology Needs Assessment report due in April 2007.