TOWN COUNCIL QUARTERLY REPORT
TOWN OF CARY, NORTH CAROLINA
FY 2019 FIRST QUARTER
THANK YOU FOR YOUR CONTINUED LEADERSHIP, VISION AND SETTING THE CULTURE OF EXCELLENCE FOR OUR ORGANIZATION AND COMMUNITY. WE LOOK FORWARD TO WORKING WITH EACH OF YOU TO KEEP CARY GREAT.

Mayor
Harold Weinbrecht

Mayor Pro Tem
Lori Bush

Council Member
Ed Yerha

Council Member
Don Frantz

Council Member
Ken George

Council Member
Jennifer Robinson

Council Member
Jack Smith
This quarter marks my second year with the Town. When I reflect on that time, I’m struck by how much more I know today than when I started. I know more about Cary’s history, its role in the region, and our passionate and knowledgeable citizens. And I’m certainly more familiar, and even more impressed, with Cary’s foresight in putting forth the Imagine Cary Community Plan vision to guide us into the future.

But with familiarity comes the ever-present challenge to remain curious, to continue questioning, and to continue taking smart risks that will allow us to innovate. I remain committed to challenging myself — and all of us — to not lose our fresh eyes and ability to question the status quo as we march ever closer to the future.

These two years have been for me, and for the entire organization, about learning and experimenting, constantly looking for ways to improve, and defining what makes Cary — and our people — so very special. The topics we have prepared for our time together in November perfectly reflect those themes well.

On November 8, when we gather in downtown Cary at Chatham Station, we will consider the following items:

- An update on our evolving, more adaptive approach to stormwater;
- Consideration of policies to guide Cary’s police with more broadly implementing body cameras;
- And we’ll also share updates regarding our branding initiative and our downtown park, both signature initiatives that are intended to reflect, and define, our larger Cary community.

One year ago, Council and staff came together at SAS for our first quarterly meeting. Beginning a new habit or exercising a new behavior is never easy. It comes with its own host of challenges and feelings of uncertainty. Yet our approach to the quarterly rolling budget and meetings has been one of continued improvement and refinement. My colleagues and I look forward to making incremental and meaningful adjustments to our time together, with your guidance, over the next year as well.

In closing, I’d like to recognize the efforts of Karen Mills, CFO extraordinaire, for spearheading the quarterly report process over the past year. This document you hold in your hands is truly remarkable. I want to thank her for her dedication to this document, and her fellow directors, and for making the quarterly report a ‘must read’ for our Council, staff and citizens.

In Keeping Cary Great,

Sean R. Stegall
Town Manager

On the cover:
Cary staff crafts plans for Hurricane Florence response.
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1</strong></td>
</tr>
<tr>
<td><strong>Q1 HIGHLIGHTS</strong></td>
</tr>
<tr>
<td>PAGE 4</td>
</tr>
<tr>
<td><strong>SHAPE</strong></td>
</tr>
<tr>
<td>PAGE 34</td>
</tr>
<tr>
<td><strong>LIVE</strong></td>
</tr>
<tr>
<td>PAGE 20</td>
</tr>
<tr>
<td><strong>MOVE</strong></td>
</tr>
<tr>
<td>PAGE 38</td>
</tr>
<tr>
<td><strong>WORK</strong></td>
</tr>
<tr>
<td>PAGE 22</td>
</tr>
<tr>
<td><strong>SERVE</strong></td>
</tr>
<tr>
<td>PAGE 48</td>
</tr>
<tr>
<td><strong>ENGAGE</strong></td>
</tr>
<tr>
<td>PAGE 26</td>
</tr>
<tr>
<td><strong>ACT</strong></td>
</tr>
<tr>
<td>PAGE 54</td>
</tr>
</tbody>
</table>
In Q1 the financial focus was a look back at FY 2018. The audit confirmed that the Town remains in excellent financial condition. The Town has capital resources, revenue capacity and an expense management culture to provide Council with choices on how best to fulfill the vision and highest priorities in the Imagine Cary Community Plan.

However, the choices won't be easy. While the community matures and revenue growth slows, Cary strives to be the Local Government That Doesn't Exist. The vision and desire to provide higher service levels continues upward on an exponential path. Focused capital planning and the quest for operational efficiencies have become essential discipline.

The core building blocks of AAA rated financial management are in place. Town finances are based on a solid foundation of fund balance, cash reserves and manageable debt. Well-maintained infrastructure and revenue capacity exists in the tax base and in model citizens who are here by choice. These assets provide the Town's elected officials the ways and the means to protect the Town’s position and move forward.

Consistent with the past, the first quarter of FY 2019 experienced progress on capital and operational projects as well as solid service delivery.

**FY 2018 AUDIT COMPLETE**

General Fund results are in. The final FY 2018 budget authorized a $30.1 million investment of fund balance primarily to provide resources for capital projects; however, fund balance decreased only $12.9 million. As in the past, revenues exceeded budget, and expenditures came in under budget for a net positive budget variance of $17.8 million or 10.7%.

Utility operations exceeded budget expectations by $7.3 million. The FY 2018 financial plan for the utility included a $33.1 million net contribution from operations to capital projects. This purposeful undertaking helped avoid additional debt and limited utility rate increases. Given the positive FY 2018 results, operating equity decreased only $25.8 million and has capacity to support additional capital needs in the future.

The FY 2018 audit resulted in a “clean” audit opinion. The Comprehensive Annual Financial Report (CAFR) was submitted to the State Treasurer’s office by the October 31 deadline. More details will be provided during the formal staff and auditor presentation, which traditionally is scheduled for the December Council meeting.

The CAFR contains many more insights into the Town's operations, values and trends than basic financial statements. One section of the report contains statistical data and ten-year trends. These details provide context and history about Cary’s financial position and direction. For example, Cary’s tax base has increased 34% in ten years to $26.4 billion. A list of the Town's top 15 taxpayers in FY 2018 reflects the strength in the diversity of the Cary tax base. Because the top 15 taxpayers constitute less than seven percent of the total base of taxpayers, the financial distress of any one taxpayer would not impair the stability of the Town's tax revenues.
## INTRODUCTION

**FINANCIAL HIGHLIGHTS**

<table>
<thead>
<tr>
<th>TAXPAYER</th>
<th>TYPE OF ENTERPRISE</th>
<th>TOTAL ASSESSED VALUATION(^1)</th>
<th>RANK</th>
<th>PERCENTAGE OF TOTAL TOWN ASSESSED VALUATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAS Institute, Inc.</td>
<td>Computer Software</td>
<td>$546,735,300</td>
<td>1</td>
<td>2.07%</td>
</tr>
<tr>
<td>Highwoods Realty Limited Partnership</td>
<td>Real Estate Investments</td>
<td>$243,381,282</td>
<td>2</td>
<td>.92%</td>
</tr>
<tr>
<td>WMCI Raleigh LLC</td>
<td>Real Estate Development</td>
<td>$132,320,193</td>
<td>3</td>
<td>.50%</td>
</tr>
<tr>
<td>KRG Parkside LLC</td>
<td>Real Estate Development</td>
<td>$93,609,999</td>
<td>4</td>
<td>.35%</td>
</tr>
<tr>
<td>Crossroads Plaza, 1743 LP</td>
<td>Real Estate Investments</td>
<td>$83,541,777</td>
<td>5</td>
<td>.32%</td>
</tr>
<tr>
<td>Bradford Spe LLC</td>
<td>Real Estate Development</td>
<td>$76,244,654</td>
<td>6</td>
<td>.29%</td>
</tr>
<tr>
<td>Kellogg/Austin Quality Foods, Inc.</td>
<td>Baked Goods</td>
<td>$74,244,315</td>
<td>7</td>
<td>.28%</td>
</tr>
<tr>
<td>Four Star Ventures LLC</td>
<td>Real Estate Development</td>
<td>$58,436,858</td>
<td>8</td>
<td>.22%</td>
</tr>
<tr>
<td>MLC Automotive LLC</td>
<td>Automotive</td>
<td>$55,960,509</td>
<td>9</td>
<td>.21%</td>
</tr>
<tr>
<td>Siemens Medical Solutions</td>
<td>Healthcare Technology</td>
<td>$54,582,383</td>
<td>10</td>
<td>.21%</td>
</tr>
<tr>
<td>Morguard Lodge Apartments LLC</td>
<td>Real Estate Development</td>
<td>$53,380,876</td>
<td>11</td>
<td>.20%</td>
</tr>
<tr>
<td>TDC Regency Lakeview LLC</td>
<td>Real Estate Investments</td>
<td>$53,120,012</td>
<td>12</td>
<td>.20%</td>
</tr>
<tr>
<td>Guardian Tryon Village LLC</td>
<td>Real Estate Development</td>
<td>$52,626,431</td>
<td>13</td>
<td>.20%</td>
</tr>
<tr>
<td>PFRS Crossroads Corp</td>
<td>Real Estate Investments</td>
<td>$51,522,090</td>
<td>14</td>
<td>.20%</td>
</tr>
<tr>
<td>Duke Energy Progress</td>
<td>Electric Utility</td>
<td>$51,411,586</td>
<td>15</td>
<td>.19%</td>
</tr>
</tbody>
</table>

**Total Top 15**

| TOTAL ASSESSED VALUE             | $1,681,118,265 | 6.36% |

**TOTAL ASSESSED VALUE**

| TOTAL ASSESSED VALUE             | $26,414,089,961 |

\(^1\) Assessed valuation represents taxes assessed and due in the fiscal year ended June 30, 2018.
FY 2019 FIRST QUARTER FINANCIAL RESULTS

GENERAL FUND

<table>
<thead>
<tr>
<th>FY 2019 Q1 GENERAL FUND SUMMARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019 ADJ BUDGET</td>
</tr>
<tr>
<td>Revenues</td>
</tr>
<tr>
<td>Expenses</td>
</tr>
<tr>
<td>TOTAL REVENUE OVER EXPENSES</td>
</tr>
</tbody>
</table>

*The above and following tables are represented in millions. Revenues, authorized expenditures and transfers between funds are classified and summarized differently for the Council budget ordinance and for accounting and reporting purposes. Individual line items are consistent. The annual budgets referred to throughout this report reflect the budget as of the quarter end as adjusted (ADJ) by Council action or staff action where authorized.

Revenues and expenses are relatively consistent when comparing the first quarter of 2019 to prior year’s first quarter. Historically, expenses outpace revenues in the first quarter because General Fund revenues do not flow in evenly over the year. Details on notable revenue and expense by category follow.
## FY 2019 Q1 GENERAL FUND REVENUES

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 YTD ADJ BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>% OF BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>FY 2018 YTD ACTUAL</th>
<th>FY 2018 VARIANCE</th>
<th>VARIANCE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$ 93.3 $</td>
<td>$ 13.5</td>
<td>14%</td>
<td>$ 13.6</td>
<td>$ (0.1)</td>
<td>-1%</td>
<td></td>
</tr>
<tr>
<td>Other Taxes &amp; Licenses</td>
<td></td>
<td>37.4</td>
<td>0.5</td>
<td>0.3</td>
<td>0.2</td>
<td>67%</td>
<td></td>
</tr>
<tr>
<td>Unrestricted Intergovernmental</td>
<td></td>
<td>11.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Restricted Intergovernmental</td>
<td></td>
<td>0.3</td>
<td>0.5</td>
<td>0.3</td>
<td>0.2</td>
<td>67%</td>
<td></td>
</tr>
<tr>
<td>Permits &amp; Fees</td>
<td></td>
<td>5.5</td>
<td>1.3</td>
<td>1.4</td>
<td>(0.1)</td>
<td>-7%</td>
<td></td>
</tr>
<tr>
<td>Sales &amp; Services</td>
<td></td>
<td>18.5</td>
<td>4.5</td>
<td>4.7</td>
<td>(0.2)</td>
<td>-4%</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td></td>
<td>2.7</td>
<td>0.4</td>
<td>0.4</td>
<td>0.0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td>168.7</td>
<td>20.7</td>
<td>12%</td>
<td>20.6</td>
<td>0.0</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Non-Operating Revenues</td>
<td></td>
<td>13.1</td>
<td>0.4</td>
<td>0.3</td>
<td>0.1</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL GENERAL FUND REVENUES</strong></td>
<td>$181.8</td>
<td>21.1</td>
<td>12%</td>
<td>$20.9</td>
<td>0.2</td>
<td>1%</td>
<td></td>
</tr>
</tbody>
</table>

Overall, revenues increased one percent and are consistent with the prior year.

Revenues often fluctuate year to year due to the timing of revenue allocations from state or federal sources. The timing of revenue receipts accounts for a $338,000 increase in Other Taxes and Licenses because the Town received ABC revenues earlier in FY 2019 than in FY 2018. Additional resources of $205,000 were recorded in Police Department Federal Forfeiture Funds compared to the prior year. Non-Operating Revenues include more Investment Earnings as a result of higher interest rates in FY 2019.
PROPERTY TAX

Property tax revenue is 51% of total revenue and is the largest revenue source for the General Fund. Taxes are based on an ad valorem tax levy on both real property and personal property. Approximately 13% of the $93.3 million of budgeted current year ad valorem revenue was collected in Q1. Real property taxes were billed in July and are due no later than January 7, 2019. Personal property tax revenue primarily includes taxes on vehicle value. The Town receives vehicle property tax revenue year-round based on the State of North Carolina’s Tax and Tag program that marries vehicle ad valorem tax collection with the State’s vehicle license renewal process.

REAL PROPERTY TAXES

The Q1 real property component of the property tax revenue is 14.1% of the FY 2019 real property tax budget. In the prior two years, Q1 real property tax revenue represented approximately 13.7% of the annual actual revenue. The Q1 increase reflects taxes that were prepaid in December 2017 by citizens following a change in federal tax law that limits income tax deductions for state and local taxes.

VEHICLE TAXES

Financial updates in FY 2018 noted concerns about decreased vehicle property tax revenues despite population and economic growth. In Q1, Cary vehicle taxes increased five percent compared to FY 2018 but are four percent less than the same period in FY 2017. Since the Tax and Tag vehicle tax system was installed in FY 2014, revenues have trended up on average; however, concerns remain regarding the variances in vehicle property taxes year over year.

SALES TAX

Sales tax revenue, the largest single component of the Other Taxes and Licenses category, is distributed to municipalities by the NC Department of Revenue approximately two and a half months after the month when taxable sales occurred. Given this schedule, Cary will receive its first distribution in October for July sales. Sales tax receipts are budgeted at $35.1
million in FY 2019 and represent 19% of total General Fund revenues. The Q2 report will provide the first indication of sales tax revenues for FY 2019.

Although there were no receipts for FY 2019 sales tax revenue, the chart at right provides perspective on sales tax revenue increases over the past five years. Economic growth is clearly reflected in the upward trend.

**INTERGOVERNMENTAL REVENUES**

Sales taxes on electricity, natural gas and wireless communications comprise 90% of the revenue sources in the intergovernmental category. Utility sales taxes are budgeted at $10.2 million in FY 2019. The state distributes utility sales tax revenue in December, March, June and September; therefore, there are no utility sales tax receipts to report for Q1. The majority of the Q1 intergovernmental revenue is federal drug forfeiture funds appropriated for the Police Department.

**PERMITS AND FEES**

Fees for construction permits, plan reviews and inspection services are paid at the time of permit issuance. Because construction related revenues vary with the size, volume and type of construction, any one quarter's receipts may or may not represent a quarter of the year's activity. Over $710,000 was recorded in FY 2019 Q1, which is seven percent less than the revenue received in the same quarter in FY 2018. While the first quarter of FY 2019 is less than the prior year, it compares favorably to the first three years of the five-year history and represents 23% of the FY 2019 budget. The first quarter of FY 2017 included permit fees for three apartment complexes and a five-story office building that boosted FY 2017 Q1 revenues beyond historical averages.
FY 2019 Q1 GENERAL FUND EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 YTD ADJ BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>% OF BUDGET</th>
<th>FY 2018 YTD ACTUAL</th>
<th>FY 2018 VARIANCE</th>
<th>VARIANCE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$ 26.8</td>
<td>$ 6.0</td>
<td>22%</td>
<td>$ 5.2</td>
<td>$ 0.8</td>
<td>15%</td>
</tr>
<tr>
<td>Public Safety</td>
<td>46.2</td>
<td>9.4</td>
<td>20%</td>
<td>9.5</td>
<td>(0.1)</td>
<td>-1%</td>
</tr>
<tr>
<td>Operations (PW &amp; PRCR)</td>
<td>47.0</td>
<td>8.5</td>
<td>18%</td>
<td>9.5</td>
<td>(1.0)</td>
<td>-11%</td>
</tr>
<tr>
<td>Development &amp; Infrastructure</td>
<td>16.1</td>
<td>3.2</td>
<td>20%</td>
<td>3.4</td>
<td>(0.2)</td>
<td>-6%</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>136.1</td>
<td>27.1</td>
<td>20%</td>
<td>27.6</td>
<td>(0.5)</td>
<td>-2%</td>
</tr>
<tr>
<td>Non-Operating Expenses</td>
<td>45.7</td>
<td>2.1</td>
<td>5%</td>
<td>0.5</td>
<td>1.6</td>
<td>320%</td>
</tr>
<tr>
<td><strong>TOTAL GENERAL FUND EXPENSES</strong></td>
<td>$ 181.8</td>
<td>$ 29.2</td>
<td>16%</td>
<td>$ 28.1</td>
<td>1.1</td>
<td>4%</td>
</tr>
</tbody>
</table>

As with revenues, first quarter expense variances are often due to timing. The General Government function variance is due to the timing of renewals of software, radio maintenance and other contracted services in the Town Manager and Information Technology departments. Across all departments, expenses decreased due to the movement of telephone, utility, insurance and other expenses to non-departmental accounts. This change is the primary reason non-operating expenses increased compared to FY 2018.

UTILITY FUND

FY 2019 Q1 UTILITY FUND SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 YTD ADJ BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>% OF BUDGET</th>
<th>FY 2018 YTD ACTUAL</th>
<th>FY 2018 VARIANCE</th>
<th>VARIANCE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>$ 87.3</td>
<td>$ 17.4</td>
<td>20%</td>
<td>$ 17.3</td>
<td>$ 0.1</td>
<td>0%</td>
</tr>
<tr>
<td>Expenses</td>
<td>87.3</td>
<td>9.4</td>
<td>11%</td>
<td>51.6</td>
<td>(42.2)</td>
<td>-82%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE OVER/ (UNDER) EXPENSES</strong></td>
<td>$ -</td>
<td>8.0</td>
<td>-</td>
<td>$ (34.3)</td>
<td>42.2</td>
<td>-123%</td>
</tr>
</tbody>
</table>
The only variance in FY 2019 compared to FY 2018 is due to the size and timing of the budgeted capital transfers in non-operating expenses. In FY 2018, $41.6 million of budgeted capital transfers were recorded in Q1. In FY 2019, $6.6 million of capital transfers will be recorded in Q2.

### FY 2019 Q1 Utility Fund Revenues

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 ADJ BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>% OF BUDGET</th>
<th>FY 2018 YTD ACTUAL</th>
<th>FY 2018 VARIANCE</th>
<th>VARIANCE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Service</td>
<td>$ 30.6</td>
<td>$ 7.1</td>
<td>23%</td>
<td>$ 7.1</td>
<td>$ 0.0</td>
<td>0%</td>
</tr>
<tr>
<td>Sewer Service</td>
<td>47.3</td>
<td>9.3</td>
<td>20%</td>
<td>9.3</td>
<td>0.0</td>
<td>0%</td>
</tr>
<tr>
<td>Permits &amp; Fees</td>
<td>2.2</td>
<td>0.7</td>
<td>32%</td>
<td>0.6</td>
<td>0.1</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>80.1</strong></td>
<td><strong>17.1</strong></td>
<td><strong>21%</strong></td>
<td><strong>17.0</strong></td>
<td><strong>0.1</strong></td>
<td><strong>0%</strong></td>
</tr>
<tr>
<td>Non-Operating Revenues</td>
<td>7.2</td>
<td>0.3</td>
<td>4%</td>
<td>0.3</td>
<td>0.0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Utility Fund Revenues</strong></td>
<td>$ 87.3</td>
<td>17.4</td>
<td>20%</td>
<td>$ 17.3</td>
<td>0.1</td>
<td>0%</td>
</tr>
</tbody>
</table>

Billed water demand is an indicator for revenues. Quarterly reporting billed demand does not match earned revenue precisely because of the timing differences between when the utility service was delivered and when the revenue was billed. As a proxy, the first quarter results indicate that demand is on track to meet budget. Equivalent billed water demand for the first quarter for the prior five years averaged 30% of the annual results. The first quarter billed water demand in FY 2019 is 30% of FY 2019 budgeted billed water demand. Utility account growth is less than two percent, and decreasing usage patterns are offsetting account growth. Budgeted revenue increases are due to rate increases.

Like the largest taxpayers, a list of the largest utility consumers is presented in the FY 2019 CAFR. The top ten FY 2019 utility ratepayers account for less than...
eight percent of the utility retail revenues. More notable is the fact that only five of the top ten are industrial and office uses that generate less than four percent of the utility revenue. The remaining five ratepayers represent institutional and stable uses for schools, hospital, airport and multifamily residential. This positive characteristic of the utility provides confidence that the consumer base is diverse, and the reduction in demand of any one consumer would not impair the financial position of the utility.

### FY 2019 Q1 UTILITY FUND EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 ADJ BUDGET</th>
<th>FY 2019 YTD ACTUAL</th>
<th>% OF BUDGET</th>
<th>FY 2018 YTD ACTUAL</th>
<th>FY 2018 VARIANCE</th>
<th>VARIANCE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$10.2</td>
<td>$1.7</td>
<td>17%</td>
<td>$2.2</td>
<td>$(0.5)</td>
<td>-23%</td>
</tr>
<tr>
<td>Field Operations</td>
<td>14.5</td>
<td>2.6</td>
<td>18%</td>
<td>2.9</td>
<td>$(0.3)</td>
<td>-10%</td>
</tr>
<tr>
<td>Wastewater (net of Apex)</td>
<td>9.7</td>
<td>1.8</td>
<td>19%</td>
<td>2.3</td>
<td>$(0.5)</td>
<td>-22%</td>
</tr>
<tr>
<td>Water Treatment Plant (net of Apex)</td>
<td>8.3</td>
<td>1.8</td>
<td>22%</td>
<td>1.4</td>
<td>0.4</td>
<td>29%</td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td>42.7</td>
<td>7.9</td>
<td>19%</td>
<td>8.8</td>
<td>$(0.9)</td>
<td>-10%</td>
</tr>
<tr>
<td>Non-Operating Revenues</td>
<td>44.6</td>
<td>1.5</td>
<td>3%</td>
<td>42.8</td>
<td>$(41.3)</td>
<td>-96%</td>
</tr>
<tr>
<td>TOTAL UTILITY FUND EXPENSES</td>
<td>$87.3</td>
<td>9.4</td>
<td>11%</td>
<td>$51.6</td>
<td>$(42.2)</td>
<td>-82%</td>
</tr>
</tbody>
</table>

Consistent with the trend noted in the General Fund expense discussion, decreases in functional areas reflect the movement of telephone, utility, insurance and other expenses to non-departmental accounts. The increased expenses at the Water Treatment Plant relate to a large routine chemical supply purchase. Non-operating expenses reflect capital transfers discussed in the Utility Fund Summary section.
Additional capital resources were created when $17.4 million of unused financial resources from completed capital projects were released to the capital reserve funds to finance future projects. As part of the fiscal year-end financial process to “close the books” for FY 2018, 89 capital projects were identified where spending was complete. Like the operating funds, capital expenditures must come in under budget. When a project is complete, the excess project revenues are returned to the capital reserve funds to finance future projects. Of the $17.4 million, $13.7 million was returned to the utility capital reserve, and $3.7 million was returned to the general capital reserve.

Powell Bill funds are a direct allocation from the State of North Carolina for the maintenance of non-state roadways. These revenues are determined annually and distributed in two equal payments. The Town received its first FY 2019 payment of $1.9 million in September. The full year’s distribution is expected to be $3.9 million which is 2.1% greater than budget and 1.0% greater than FY 2018. A chart of Powell Bill history is above.

**CAPITAL PROJECTS**

**SIGNIFICANT CAPITAL FUNDING RESOURCES**

After FY 2018 project closure and with new FY 2019 project appropriations, the Town has 398 active capital projects with almost one billion dollars committed in resources. Utility projects totaling $568 million comprise 59 percent of the capital spending authorization. General capital projects total $399 million, 41 percent of the total $967 million capital authorization.
INTRODUCTION  FINANCIAL HIGHLIGHTS

CAPITAL PROJECT SPENDING

Capital project spending totaled $10 million in Q1. The Town’s largest investment in capital for the community in the quarter was a $4 million payment to Wake County for construction of the downtown parking deck. Because the mix of capital projects changes over time, there are no discernable patterns in capital spending. Updates on the status of key projects are included in the Move and Serve chapters of this report.

BUDGET AMENDMENTS AND CITIZEN INPUT

FY 2019 MID-YEAR APPROPRIATIONS

A total of $1.8 million was included in the FY 2019 operating budget to support emerging or unforeseen needs arising during the fiscal year. To continue progress on notable entertainment venue, transportation and technology projects, Town Council approved three new capital appropriations totaling $690,000 at the FY 2018 Q4 Council meeting held in August.

- $390,000 - Koka Booth Lighting Improvements
- $150,000 - Design of Pedestrian Tunnel under Weston Parkway
- $150,000 - Green Infrastructure and Stormwater IoT Devices

Approximately $1.2 million in mid-year funding remains available for Council appropriation in FY 2019.

FY 2019 CAPITAL PROJECT SPENDING

8% STREETS  21% WATER  12% SEWER  15% GENERAL GOVERNMENT  40% DOWNTOWN

3% PARKS
Q1 DELEGATED BUDGET AUTHORITY ACTION

Throughout the fiscal year, challenges and opportunities arise that warrant financial resources that were not included in the original budget. Often staff can repurpose existing resources to address the highest priorities and initiatives. The budget ordinance authorizes the Town Manager to approve inter-functional budget adjustments and requires reporting to Council. Accordingly, one inter-functional budget adjustment was approved by the manager, totaling $13,084 in Q1 for FY 2019:

- Transfer funds from Manager’s Office (General Government function) to Sustainability (Development & Infrastructure function) to increase a temporary employee’s hours from 10 hours to 20 hours a week.

BUDGET PUBLIC INPUT AND RECOMMENDATIONS

Citizens are invited to share their budget priorities throughout the year. Specific resources exist to capture budget public input via social media, voicemail and email. There were 11 budget public input comments in Q1.

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>COMMENTS RECEIVED</th>
<th>PLATFORM RECEIVED</th>
<th>TYPE OF COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>2</td>
<td>Nextdoor</td>
<td>Expressing frustration that the budget has already been decided and approved by Council</td>
</tr>
<tr>
<td>Property Taxes</td>
<td>2</td>
<td>Voicemail; Email</td>
<td>Requesting that Council consider a property tax exemption for seniors; requesting that the Town reduce property taxes</td>
</tr>
<tr>
<td>Streets</td>
<td>1</td>
<td>Email</td>
<td>Requesting that Chapel Hill Road be widened, particularly at the intersection of Morrisville Carpenter/Aviation and Chapel Hill</td>
</tr>
<tr>
<td>Schools</td>
<td>1</td>
<td>Email; Twitter</td>
<td>Requesting that the Town assume responsibility for schools from WCPSS to stop reassignment</td>
</tr>
<tr>
<td>Western Cary</td>
<td>2</td>
<td>Email; Nextdoor</td>
<td>Requesting the following specifically for western Cary: more schools; public transportation; trees in the median; pedestrian walkways; free lit tennis courts</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>1</td>
<td>Email</td>
<td>Requesting a sidewalk on Edinburgh Drive; pedestrian walkways</td>
</tr>
<tr>
<td>Greenway</td>
<td>1</td>
<td>Email</td>
<td>Requesting that the trail and footbridge near Kildaire Farm Road at Lochmere Highlands be rebuilt</td>
</tr>
<tr>
<td>Water Point</td>
<td>1</td>
<td>Email</td>
<td>Requesting a location or “water point” where vehicles could be rinsed off for free using recycled water</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>11</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
INTRODUCTION FINANCIAL HIGHLIGHTS

CASH AND INVESTMENTS
At the end of Q1, the Town’s cash and investments totaled $516 million. The Town maintains a minimum of $40 million in bank accounts to ensure that it has immediate access to funds. The remainder of the portfolio is invested in securities that ensure the safety of the principal and earn maximum interest income.

The Federal Reserve raised the federal funds rate three times in 2018 from 1.50% to 2.25%. Most economists anticipate another rate hike in December. The Town’s total rate of return has increased to 1.67% compared to 1.16% a year ago.

Staff compares the Town’s investment income performance in a managed portfolio to a simpler approach of placing investments routinely into two-year US Treasury securities. The managed approach, based on weekly cash flow projections and the purchase of more diverse fixed income securities, has consistently outperformed the benchmark by 10 to 20 basis points until the last two months. There was minimal excess cash to invest in Q1 as the Town committed resources to capital projects. During this quarter alone, the two-year Treasury yield has increased from 2% to 2.8%. In Q2, when most real property taxes are paid, investment activity will increase. The Town will invest in higher yielding securities and again compare more favorably to the benchmark.
INTRODUCTION

FINANCIAL HIGHLIGHTS

DEBT

Moody’s Investors Service (Moody’s), one of the three renowned credit rating agencies, conducts an annual review of Cary’s financial position compared to its most recent bond rating. Following the review, Moody’s releases a brief report. In Q1, Moody’s annual comment about Cary’s general obligation bonds noted, “The financial position of the town is very healthy and is in line with its Aaa rating.”

In Q1, work began on a process to borrow approximately $8.6 million to finance a portion of the construction of Fire Station No. 9 and the purchase of two replacement aerial ladder fire trucks. The Town plans to pledge Fire Station No. 9 as collateral for a bank loan to be repaid over a maximum of 20 years.

CONTRACT EXECUTION

Council has delegated authority to award, approve and execute certain types of contracts to the Manager, Deputy Managers, and Assistant Manager. The Manager has further delegated a portion of his authority to Department Directors. In accordance with reporting requirements in the Council Resolution delegating authority to the Manager, the following chart indicates the number of contracts signed by the Manager’s Office and department directors in the first quarter compared to prior quarters.

![Contracts by Managers & Staff Chart]

CONTRACTS APPROVED BY TOWN MANAGER’S OFFICE

CONTRACTS APPROVED BY DEPARTMENT DIRECTORS
ECONOMIC OUTLOOK

The North Carolina League of Municipalities (NCLM) publishes a quarterly revenue report that focuses on statewide revenues affecting municipalities. The September report states that “North Carolina’s economic outlook continues to be positive, though with some signs of slowing.” Multiple factors impact the outlook, but one key factor was strong job growth in the first six months of 2018. The Cary Chamber of Commerce economic update in Q2 will provide a more focused outlook for Cary.

One change ahead regards the collection of online sales taxes in North Carolina beginning November 1, 2018 following the Supreme Court ruling on South Dakota v. Wayfair. The NCLM report addresses the impact of sales taxes from internet retailers in states where they have no physical presence. “Most of the top e-commerce retailers have a physical presence in North Carolina; therefore, the state already receives most of the possible sales tax from e-commerce. A June memo from the NC Department of Revenue states that as a result of South Dakota v. Wayfair Inc., existing statutes should allow DOR to require additional remote sellers to collect and remit. The DOR estimates an annual state revenue increase of $75 million, with a corresponding local increase of $35 million, annually.” Given that the local annual increase of $35 million would be spread to units across the state, the impact on Cary would be minimal.
FOSTERING STRONG NEIGHBORHOODS
NEW SINGLE-FAMILY PERMITS ISSUED

New single-family permits for Q1 totaled 247, down 10% from the quarter’s previous five-year average of 274. New single-family permits were issued in 41 subdivisions with the top five subdivisions being Amberly Glen (48), Woodhall (24), Ridgefield Farms (22), Glen at Westhigh (14), and Blakeley (13).

RESIDENTIAL ALTERATION AND ADDITION PERMITS ISSUED

Residential addition and alteration permits for Q1 totaled 368, down 8.5% from the quarter’s previous five-year average of 402. Although Q1 is down from the five-year average, there is an overall upward trend of residential addition and alteration permits, which is consistent with the redevelopment theme in the 2040 Imagine Cary Community Plan.
ASSURING CONTINUED PROSPERITY
POLICE RECRUITMENT

Nationwide, law enforcement agencies continue to struggle with finding qualified applicants. During a recent news segment on WRAL, the North Carolina Highway Patrol disclosed they are currently facing an historic shortage of over 200 troopers. While we are not immune to this plight, we have successfully adapted our recruiting efforts to attract a diverse group of veteran and millennial officers.

According to multiple sources, police applicants are looking for agencies with streamlined recruiting processes, adaptive leadership that encourages personal growth, programs that emphasize officer wellness, and equitable schedules that promote work/life balance. Compared to other departments where hiring processes can take six months or more, our application process takes three to four months. We emphasize personal growth by utilizing a defined Career Ladder Program and Tuition Assistance. We have multiple programs in place to promote employee wellness, and we have adaptive leadership that evaluates department structure and scheduling so our officers can fulfill their obligations to both the citizens and their families.

Despite nationwide trends, since January of 2018, we have hired 18 new police and emergency communications officers, resulting in a fully staffed communications center and only one current officer vacancy. We are proud of our accomplishments and with administration’s continued support, expect to stay ahead of the curve.

BLOOD DRIVE

In September, employees had the opportunity to donate blood at the semi-annual blood drive. New this year, the Town of Cary partnered with The Blood Connection, the largest independently managed, non-profit community blood center in the Carolinas region.

GIVING MAKES US GREAT

Each year, employees are offered the opportunity to participate in a Combined Campaign, the Town’s voluntary giving drive. This once-a-year program offers employees a choice of more than 180 charities. The campaign is conducted via an online portal, Give at the Office (G@TO), eliminating pledge cards while streamlining and securing the donation process. Our campaign truly embodies the heart and core of our annual effort: staff reaching out to support a wide variety of charitable organizations that do good and important work in our community and world. Town employees can and do make a difference through their generosity each year.
HUMAN RESOURCES PARTNERING AND PILOTING WITH 311

A vacancy in the reception area of the Human Resources Department created an opportunity to experiment within 311. Human Resources staff worked over the summer to compile a list of the most popular call types for each division. Using this data, staff created a resource guide to train the five citizen advocates piloting the Town’s 311 Center. In-depth discussions were held about call intake methods, sensitivity of HR-related information, caller privacy and a myriad of other details specific to the types of HR calls 311 staff would encounter. Beginning in September, all calls to the main HR phone number are now answered within 311. Call statistics are regularly monitored and data collection continues to be refined as we work to build and define best practices.

The process of data collecting, training, implementing and refining is an approach staff will continue as we seize opportunities to grow the umbrella of 311.

EMPLOYEE EDUCATION

In August, nearly 250 employees were treated to ice cream and financial education from VOYA at Town Hall campus and the Public Works and Utilities Operations Center. VOYA partners with the Town of Cary to administer one facet of our supplemental retirement benefits. In addition, Human Resources staff were on hand to provide other important financial resources, information and materials and help answer questions.
MISSION CRITICAL: LAPTOP DEPLOYMENT

The IT Department is rolling out 500 new laptops to Town employees by the end of the calendar year, thanks to assistance from the Fire Department and a new IT deployment process. The new laptops come in a variety of configurations and feature touch-screen enhancement. The computers costar Microsoft’s newest operating system, Windows 10, and offer built-in cellular capability. This enables employees to connect and work anywhere a Wi-Fi or cellular connection is available. A majority of the currently deployed systems are desktop based and run on an older Microsoft operating system. Retiring laptops are not touch-screen enabled, are limited to one configuration, weigh over five pounds and possess no cellular capability.

To support the endeavor, IT partnered with the Fire Department in deploying new laptops and desktops. Volunteers from the Fire Department were trained to work alongside IT to configure, deploy and troubleshoot new systems. They will also address peripherals such as monitors, keyboards and mice. Fire Department volunteers were trained for two weeks in a formal classroom setting utilizing hands-on technical exercises and by shadowing IT personnel.
EXPERIENCING THE CARY COMMUNITY
**ENGAGE EXPERIENCING THE CARY COMMUNITY**

**43RD LAZY DAZE ARTS & CRAFTS FESTIVAL**

Beautiful weather graced the 43rd annual Lazy Daze Arts & Crafts Festival, with estimates of over 60,000 patrons enjoying the art, music, food and community at this two-day event. Sunshine Artist Magazine recognized Lazy Daze as one of the top 50 arts & crafts festivals in the U.S. Many festival-goers were able to take a “selfie” to post on social media in front of the unique 3-D art backdrop.

**THE TOWN CRIER, MRS. CRIER (JOHN AND MARY WEBSTER) AND JERRY MILLER RECOGNIZE THE SIX JERRY MILLER AWARD WINNERS CHOSEN AS THE TOP ARTISTS AT LAZY DAZE.**

**FESTIVAL GOERS SHOW OFF THE 3-D PHOTO BACKDROP.**

**SUNSHINE ARTIST MAGAZINE ANNUALLY RECOGNIZES THE TOP 200 FESTIVALS NATIONALLY. THIS YEAR, LAZY DAZE WAS IN THE TOP 50.**

**VOLUNTEER RECOGNITION**

On Sunday, September 23, Cary held the annual Volunteer Appreciation Picnic at Koka Booth Amphitheatre. The event took on a new format this year, combining the annual Volunteer Banquet, usually held in late winter, with the Volunteer Picnic, held each fall. The picnic theme was ‘Thanks Y’all!’ with over 400 volunteers and their family members enjoying a southern dinner, games and entertainment. Over 33,500 hours were reported from volunteers supporting Cary’s events, activities and facilities since the last recognition event in 2017. In addition to honoring these volunteers, a ticket raffle was held for the Play It Forward Scholarship Fund, raising over $2,200 for the scholarship program.

**VOLUNTEER RECOGNITION**

SUNSHINE ARTIST MAGAZINE ANNUALLY RECOGNIZES THE TOP 200 FESTIVALS NATIONALLY. THIS YEAR, LAZY DAZE WAS IN THE TOP 50.
The Volunteer of the Year Awards were given out in nine categories. This year’s recipients were:

**Don Smith Award:** David Sinodis  
**Distinguished New Coach:** Kathy Hackett  
**Cultural Arts:** Lester Thomas  
**Partner Organization:** Kids Together, Inc.  
**Events Volunteer:** Dan Pike  
**Outstanding Teen:** Amy Chang  
**Senior Volunteer:** Mike Walsh  
**Parks & Trails Award:** Laura White  
**Herb Young Award:** Sarah Martin

Local kids and teens experienced a fantastic summer due to the 180 camps and activities provided throughout Cary this year. Whether full day, half day, workshops or clinics, almost 10,000 children participated. Summer 2018 was a banner season with an increase of 10% in participation and 17% in revenue compared to 2017. Some of the most popular camps included Pottery Around the World, Bond Park Summer Day, Youth Art Express, and Junior Tennis. Trending up were the outdoor adventures, STEM, WakeMed Soccer Day Camp and specialty camps.
HURRICANE RELIEF COLLECTION

The Cary Teen Council, in collaboration with the Fire Department, led a donation drive for the victims of Hurricane Florence. Food, cleaning supplies and other household items were collected at community centers and Fire Station 7. Citizen response was incredible with thousands of items collected. Supplies were sent directly to VFW Post 6018 in Fayetteville to help local veterans and their families.

ATLANTIC TIRE TENNIS CHAMPIONSHIP

Thanks to the new covered courts at the Cary Tennis Park, Hurricane Florence was no match for the Atlantic Tire Championships held September 8–16. This award-winning tournament, in its fourth year, featured highly ranked men’s professional players. Twenty players came straight off the courts of the US Open.

The tournament also hosted a variety of community events for youth and adults, including a National Junior Tennis League (NJTL) Camp supporting under-served youth across the state, Inter-Faith Food Shuttle Food Drive, High School Girls Invitational, and a Mixed Doubles Clinic that featured Mayor Weinbrecht and several Cary tennis pros.

The event was an enormous success due in part to its large volunteer base. Over 350 people donated over 3,000 hours to help both on and off the court.
STORMWATER

The five Adaptive Stormwater sub-groups (Maintenance, Modeling, Open Space, Ordinance and the Downtown Working Group) have been evaluating changes to policies and programs. Some examples are described below:

MAINTENANCE

Public Works crews have proactively cleaned and video inspected over two-thirds of the storm drains within the pilot area of the Walnut Creek Basin. As they proceed, the pipes’ structural condition and integrity are documented for use in our condition assessment prioritization tool. One focus area has been the intersection of Warren Avenue and Pleasants Drive where there has been frequent flooding. Recent modeling indicates that cleaning the long sections of pipe that are privately owned may be beneficial.

The maintenance practices will continue in the pilot area and then expand to other priority areas within the Town as identified through the Town’s Condition Assessment and Risk Prioritization program.

MODELING

The Walnut Creek hydraulic model is being used as the central ‘source of truth’ in evaluating potential projects within the watershed. It has been used to evaluate areas such as the Warren and Pleasants intersection, opportunities within the downtown park, upsizing of the stormwater infrastructure as a part of the S. Walker Street sidewalk project, quantifying benefits of open space along the Walnut Creek corridor and assessing potential impact of green infrastructure improvements.

OPEN SPACE

The Open Space Group, in conjunction with the entire Adaptive Stormwater team and a newly formed citizen tree team, has identified ways to holistically integrate shared goals that benefit the community. The team is using existing and recently generated data via GIS layers for open space/stormwater opportunities. The Open Space team also visited the NCSU Geospatial Analytics Department to gain insight into new technologies and to form a relationship for future work.

ORDINANCE

The Ordinance Group continues to evaluate existing and potential stormwater-related ordinances and policies. There are a variety of challenges being evaluated by the team, including level and extent of service, private drainage assistance, public purpose and the incorporation of green infrastructure. This group is working to prepare options or solutions to bring to Council in the future.

DOWNTOWN WORKING GROUP

The Downtown Working Group met in July to provide feedback on the direction of our adaptive stormwater initiative. Each sub-group presented what they have been working on and received excellent feedback to help focus the direction. Staff continues to have conversation with group members on various stormwater topics. Group members have been actively engaged in various conversations ranging from Hurricane Florence to reviewing a grant application for Stormwater Green Infrastructure through the Southeast Sustainability Directors Network. The Downtown Working Group meets again at the beginning of Q2.
COMMUNITY ENGAGEMENT: PUBLIC MEETINGS, CITIZEN OPEN HOUSE, PROJECT KICKOFFS, NEIGHBORHOOD MEETINGS

A new system of community engagement for Cary neighborhoods and businesses has been initiated with a focus on building relationships, studying issues and co-creating solutions in partnership with citizens. Staff is focused on finding new ways to address concerns that have both adaptive and technical components in every area from neighborhood rezoning meetings to topic and/or project specific items. Paying personal attention to difficult situations is helping us build relationships and co-create solutions with our citizens.

CONCERNED CITIZENS

Staff continues to maintain regular contact with the Concerned Citizens of Northwest Cary, the group that formed during the fall of 2017, to work with the Town on understanding and mitigating concerns related to the Amberly C-Store development at 355 Stonecroft Lane. After nearly one year of relationship building, we have become a team working together to identify and implement traffic calming solutions. The neighborhood is enjoying the new crosswalk at Village Orchard Road and is currently seeking to vote on adding chokers to Hortons Creek Road.

ADAPTIVE STORMWATER

In August, the Adaptive Stormwater Open Space Team hosted five citizen tree advocates, including two citizens from the EAB Tree Advisory Committee. The staff team and citizens enjoyed getting to know each other better while discussing the Open Space Team’s current activities and ideas on how to engage the community more on the topics of stormwater, trees and open space. We continue to work on growing our relationship and figuring out how we can work together to achieve mutual goals.

GREATER RALEIGH CONVENTION AND VISITORS BUREAU STRATEGIC PLAN

Beginning in August 2017, the Greater Raleigh Convention and Visitors Bureau (GRCVB) partnered with JLL to lead the strategic planning process. The strategic planning process became a logical next step after completion of the GRCVB’s Destination2028 project. Destination2028 identified some of the county’s strengths, weaknesses and opportunities related to tourism. This project demonstrated that the county would benefit from a comprehensive, strategic tourism development plan.

Specifically, the strategic planning process aims to address the county’s needs to drive overnight visitation and prioritize what infrastructure should be funded from the inter-local tax funds. This study will provide a road map and plan for Wake County and the communities within it as to what we need to enhance or build based on research and input from residents and stakeholders.

Guiding the process with monthly meetings is a 19-member steering committee. JLL used a variety of means to gather input as part of the strategic planning process. The primary methods used were stakeholder interviews, stakeholder and resident surveys, and focus group meetings. On August 21, 2017, JLL met with Cary staff to discuss the strategic planning process and to gather input. Following the completion of the strategic plan, the GRCVB and JLL met with each community. Cary’s meeting was on September 26, 2018.
This summer, planning officially began for the next phase of Downtown Cary Park. The Office of James Burnett was hired and began their work collecting data for the park. The months of July and August were spent obtaining public input regarding preferences for the future park. On July 27, over 300 citizens attended the first Community Workshop for the park. At the same time an online survey was posted for the project, which received over 1,100 responses.

Town staff, working in conjunction with the consultants, attended additional events in downtown Cary, including Lazy Daze, and at Koka Booth Amphitheatre to obtain a broad spectrum of public input for the project. Again, to ensure input from a comprehensive demographic, staff also presented to over 200 teens at the initial Teen Council meeting in late August. The teens then completed a survey of their preferences for the future park.

With this input, the consultants are developing three alternative park concepts. The next public meeting for the Downtown Cary Park project will likely occur later this year to present the alternatives.
POPULATION UPDATE  
At the end of the quarter, the Cary population is estimated to be 164,672. During FY 2018 Cary’s population grew by 3,540 citizens, or 2.2%.

REZONINGS  
During Q1, there were 33 cases in the rezoning process, and six of these cases were approved. Of the six cases, three had conditions limiting the new development to either assisted or senior living. The quarter’s cases included the Glenaire Expansion, which allows for up to 192 independent units and 40 assisted living units. Macedonia Senior Living’s plan allows for up to 250 age-restricted multi-family units.

DEVELOPMENT PLANS  
There were 17 development plans approved in Q1, totaling just over 125,000 square feet of nonresidential buildings. The largest plan was for UNC Panther Creek Medical Office Building at just under 100,000 square feet. Also, 58 single family dwellings were approved. There were no multi-family units approved in Q1.

NEW NON-RESIDENTIAL PERMITS ISSUED  
There were four new non-residential permits totaling just shy of 100,000 square feet issued in Q1. This square footage represents a 54% decrease from the quarter’s five-year average of over 200,000 square feet. The largest non-residential permit issued in Q1 of FY 2019 was for the UNC Panther Creek Medical Office Building on McRimmon Parkway.
SHAPE GUIDING COMMUNITY GROWTH

NON-RESIDENTIAL ADDITIONS & ALTERATIONS

Non-residential addition and alteration permits in Q1 totaled 143, an increase of 4.5% from the Q1 five-year average of 137.

The top five projects were interior alterations at Verizon located at 6400 Weston Parkway (99,239 square feet), Small HD located at 301 Gregson Drive (33,378 square feet), Bayer Environmental Science located at 5000 Centre Green Way Suite 400 (31,847 square feet), American Tower located at 12040 Regency Parkway Suite 200 (27,010 square feet), and a warehouse addition at Long Beverage located at 10500 World Trade Boulevard (47,867 square feet).

TOTAL INSPECTIONS

There were 18,843 inspections in Q1, down 7% from the Q1 five-year average of 20,322. This decrease is largely a result of reduced inspections leading up to and after Hurricane Florence, as well as pausing Town operations for two days during Hurricane Florence.

PIT CREW LDO UPDATE

The Imagine Cary Community Plan articulates Cary’s vision and values and sets a course for Cary to continue to be a premier community offering new opportunities to citizens. The Imagine Cary Plan Implementation Team, or PIT Crew, a multi-departmental team of staff focused on plan implementation, continues to meet to develop a detailed understanding of the Plan’s Strategic Initiatives and Actions, and to document projects to implement the vision of the Plan. The PIT Crew is organized into four Focus Teams: Economic Development, Land Development, Move/Transportation, and Strong Neighborhoods. Focus Teams are developing Action Planning Guides for each Action of the Plan, aligning them with projects and services in the Catalog.
Significant progress has been made by the Land Development Focus Team, which is evaluating changes to the Town’s Land Development Ordinance (LDO) and development regulations called for in the Imagine Cary Plan. While several of the actions address changes on a broad level, emphasis is placed on the development challenges and opportunities of the four Special Planning Areas: Downtown, Eastern Cary Gateway, Green Level and Carpenter. These Special Planning Areas are experiencing pressure from new development and redevelopment, which is a catalyst to update the LDO structure and propel the conversation about changes needed to meet our vision.

Within Cary, the greatest opportunity to address the need for updating and restructuring the LDO is within the Town Center District. Redevelopment and infill are already occurring within this area, creating the need to update the development regulations to support revitalization efforts and facilitate reinvestment envisioned in the Imagine Cary Community Plan. Staff is currently developing a multi-phased approach to address both technical and adaptive issues. This approach will ensure that changes to the development regulations meet the existing needs of Cary and address the vision for the future. These initial phases will be used to establish a process to revise the entire LDO and other development regulation resources.

Development has played a vital role in getting Cary to the top of the arc. Looking towards the future, it will play an even greater role in making sure we stay there. As land availability decreases and there is a move from primarily greenfield development to more infill and redevelopment, the Town will need to reexamine the overall development structure and policies to better align resources to meet the Town’s goals.

ELECTRONIC PLAN REVIEW FOR BUILDING PERMITS

Electronic plan review was made available to our contractors and citizens in March. Currently 89% of all building plans are submitted and reviewed electronically, with over 93% of all commercial building plans being submitted electronically. Since inception, staff has reviewed 3,541 plans electronically. Implementation of this system has provided efficiencies for our contractors and citizens as well. Feedback has been overwhelmingly positive.
TRINITY ROAD STUDY

On September 11, the North Carolina Council of State authorized the future granting of an easement to the Town for the Trinity Road extension. The authorization includes flexibility on the road's location as a final alignment has not been determined yet.

Staff continues to have dialogue with the State Property Office to understand the State’s goals and priorities for their property. As part of the study, we’ve shared four potential alignments for the Trinity Road extension and have asked the State to choose its preferred alternative.

Follow up stakeholder meetings are anticipated. Current funding for the study does not include the design or construction of any street improvements.

The picture above shows the southbound view where Trinity Road crosses the railroad tracks and intersects with E. Chatham Street and WakeMed Soccer’s east driveway.

GREEN LEVEL CHURCH ROAD STUDY UPDATE

The Green Level Church Road study continues to move forward. A public meeting was held in September to introduce the study and gather input on the corridor. Over 50 study area stakeholders attended the meeting to weigh in on their vision for the corridor. Next steps include developing a draft conceptual design for Green Level Church Road through the historic district and presenting the design to the public for comment in winter 2019. Study deliverables will include a context-sensitive typical section for the corridor that balances future transportation needs with the district’s unique, historic, rural character and charm. There is currently no funding designated for design and construction of the future street improvements.
PINEY PLAINS ROAD CORRIDOR STUDY

Staff has hired AECOM to conduct a comprehensive study of the Piney Plains Road corridor from SE Cary Parkway to Dillard Drive. The corridor transitions from an existing three-lane to a five-lane street as it continues north. Originally developed with single-family homes on larger lots, the area is experiencing a change in intensity to reflect more dense residential uses in this location. Study deliverables will include a recommended typical section for Piney Plains Road that reflects the changing land use in this location, explores access needs, and incorporates all transportation modes potentially within the existing right-of-way. Currently, there is no funding for transportation related improvements within the corridor.

MCCRIMMON PARKWAY STUDY

The McCrimmon Parkway study will identify a conceptual alignment for the missing link between NC Highway 55 and Louis Stephens Drive. AECOM, the project consultant, and staff are currently reviewing draft alignments. The corridor is approximately one mile long with two grade separations, one at the CSX railroad and a second at the proposed Kit Creek Greenway.

In the late fall/early winter, public meeting(s) will be held to present the preliminary concepts to stakeholders and the public for feedback. There is currently no funding for the design or construction of these roadway improvements.
NCDOT US HIGHWAY 64 CORRIDOR IMPROVEMENTS

NCDOT's US Highway 64 improvements project between US Highway 1 in Cary and Laura Duncan Road in Apex continues to move forward. The topic of aesthetics emerged among stakeholders including the MacGregor Downs Homeowners Association following a NCDOT public meeting in June. In response to citizen concerns, in August Cary hosted NCDOT, Town of Apex, and Stantec staff to discuss aesthetics enhancements. The meeting centered on options and key milestones related to aesthetic enhancements along the corridor, which may include landscaping and the incorporation of architectural design elements on bridges as part of the overall design process. Staff is also facilitating meetings between residents of several MacGregor neighborhoods and NCDOT prior to the next public meeting. The next public meeting is tentatively scheduled for early 2019 to seek input on preliminary aesthetic enhancements and updated alternatives for the project. Following project design, right-of-way acquisition is expected to begin in 2020, followed by construction beginning in 2022.

NE MAYNARD ROAD GRADE SEPARATION

NCDOT is planning a grade separated crossing of the railroad and E. Chatham Street on NE Maynard Road. The primary purpose for this project is to improve traffic flow and safety along the rail corridor. NCDOT will host a public meeting and a business owners meeting in the second quarter to present two draft concepts for review and comment. Total estimated cost for this project is $38 million, and construction is currently scheduled for 2024.
LOUIS STEPHENS DRIVE EXTENSION

NCDOT is planning to extend Louis Stephens Road from O’Kelly Chapel Road in Research Triangle Park to Poplar Pike Lane in Morrisville. The design is approximately 75% complete and right-of-way acquisition has begun. The project includes two lanes of the ultimate four-lane cross-section with future development building the remaining two lanes. The road includes a street-side trail, which will connect to RTP’s street-side trail and Cary’s proposed Kit Creek Greenway.

A recent addition to the original road extension project includes new signal and turn lanes at the Louis Stephens Road and McRimmon Parkway intersection. The estimated project cost is $3 million, and construction is scheduled to begin in spring 2019.

COMPLETE NC 540

NCDOT and the Federal Highway Administration (FHWA) are proposing to build a new, limited-access toll facility from the NC Highway 55 Bypass in Apex through a portion of Cary’s southern jurisdiction to US Highway 64/US Highway 264 (I-495) in Knightdale. This proposed highway will improve mobility and reduce traffic congestion south and east of the Raleigh area while improving the regional roadway network and connecting several towns. Construction will occur in segments with staggered construction timelines.

- NC Highway 55 Bypass to US Highway 401 design-build contract anticipated spring/summer 2019
- US Highway 401 to Interstate 40 design-build contract awarded fall 2018
- Interstate 40 to US Highway 64/264 Bypass design-build contract 2027

The estimated cost is $2.2 billion.
INTERSTATE 40/INTERSTATE 440/US HIGHWAY 1/US HIGHWAY 64 INTERCHANGE

NCDOT has begun project development, environmental and engineering studies for the proposed two projects:

- Interstate 40/Interstate 440/US Highway 1/64 reconstruction of the interchange is anticipated to begin in 2022.
- Interstate 40 construction of additional lanes between Interstate 440/US Highway 1/64 to Lake Wheeler Road is expected to begin in 2022.

These projects will be coordinated due to their overlapping project limits. Staff is working with NCDOT staff and their consultants to provide input on potential environmental impacts, traffic patterns and local development.

CARY PARKWAY AND HIGH HOUSE ROAD INTERSECTION IMPROVEMENTS

Work on the new right turn lanes is complete, including new sidewalk, curb and gutter, and asphalt widening. These lanes have been opened to traffic. Construction of the new medians and left turn lanes began in early September. We recently completed the medians on High House Road where continuous lane closures were installed for about six days. Due to the hard work of the Transportation & Facilities Department, Public Information, Public Works, and the Traffic Management Center, we were successfully able to notify the public and move traffic. Duke Energy Progress has also begun installation of the permanent street lighting. Construction of the medians, left turn lanes, landscaping, bus shelter, and final surface asphalt paving will continue through the fall.
DOWNTOWN PEDESTRIAN SAFETY AUDIT

After hearing concerns about pedestrian safety on Academy Street, representatives from Transportation & Facilities, Sustainability, and the Police Departments performed a Pedestrian Road Safety Audit. Staff walked the corridor to get a look at how pedestrians move along the sidewalks, at intersections, and when crossing streets. During the review, we noted locations where we had concerns and discussed how we could address the issues.

Although the concerns brought to staff were related to “crossing the street,” our focus was not just on intersections or marked crossings, but also on the experiences of people as they crossed Academy Street to get to parked vehicles at unmarked, mid-block locations. With the growing activity in downtown Cary, particularly along Academy Street, demand to access parked vehicles is likely to increase.

During our review, we noted some small items that could be improved, including trimming vegetation near a marked crossing that was blocking the view of waiting pedestrians and the use of planters to discourage crossing mid-block. Additionally, the group considered supplementary signs to remind drivers of the presence of pedestrians. Staff will summarize the findings and develop a roadmap for implementation of the recommendations.

SIGNAL PHASING AND TIMING (SPaT) UPDATE

NCDOT’s SPaT Challenge Project has moved into the testing phase. NCDOT has selected two Roadside Unit (RSU) devices and two Onboard Unit (OBU) devices to test along the NC Highway 55 and High House Road corridors. As an introduction to the testing phase, NCDOT’s contractor, Aegis, Inc., conducted SPaT training with NCDOT and Town staff. The NCDOT Project Engineers and their consultant will conduct testing runs along both corridors to determine how well each product performs. This testing period could last up to one year with completion expected in summer 2019.

Hurricane Florence had a small impact on the field equipment. One device was damaged by electrical currents from overhead power lines and had to be replaced. Other devices were shut down due to power loss and had to be restarted in the field. Overall, most intersections remained operational.

Town staff has been working with a separate vendor to test SPaT technology along the US Highway 64 corridor between US Highway 1 and Laura Duncan Road. Applied Information (AI) has installed devices at each intersection using cellular communication to share SPaT information with users that have the AI app running on their smart phones. This alternative form of communication is being considered by staff for our upcoming Connected Vehicles project. Cellular communication would allow drivers to utilize the SPaT technology sooner than the radio technology used by NCDOT on their project since drivers would only need to download an app rather than install a device in their vehicles.
After a collaborative procurement process that included representatives from multiple departments and regional transit partners, the evaluation committee for the Downtown Multimodal Transit Facility Feasibility Study selected a consultant that embodies the approach and project understanding that Cary was seeking. The study kicked off in September with the first meeting of the Technical Review Committee (TRC) which is made up of stakeholders from the Town of Cary, City of Raleigh, GoTriangle, CAMPO, NCDOT, NCRR and Amtrak.

The TRC is tasked with determining the criteria for site selection, facility functional needs, BRT routing alternatives, and ultimately, concept design of the facility. Public meetings will also give the community a chance to provide input on these elements. A final report for the study is expected in late spring, at which time we will begin right of way and land acquisition before beginning the design phase.

To better understand the planning process for BRT service, staff joined Council members Bush, Frantz and Robinson on a tour of the new Pulse BRT system in Richmond, Virginia. The tour, led by the Regional Transportation Alliance (RTA), offered the group a firsthand experience with an operational BRT system. The group traveled
MOVE PROVIDING TRANSPORTATION CHOICES

the full length of the 7.6 mile corridor, stopping along the way to study the enhanced transit stops, which include raised platforms for level boarding, off-board fare payment options, and real-time arrival technology to enhance the customer experience. The average speed of the Pulse is 13.2 mph compared to 8 mph for local bus service, saving a rider about 20 minutes from end-to-end. For comparison, BRT routes in the Wake Transit plan are projected to travel at an average speed of no less than 16 mph.

TRANSIT RIDERSHIP

Ridership is holding steady for the first quarter of FY 2019 compared to the first quarter of FY 2018. GoCary saw a significant increase in ridership in the first quarter last year compared to the same period in FY 2017. This can be directly attributed to the service enhancements that took effect on August 6, 2017, when GoCary added mid-day frequencies to four of its most popular routes and added Sunday service for the first time.

As gas prices continue to rise, we anticipate that ridership numbers will also increase. Transit staff recently completed a comprehensive operations analysis, with proposed service changes scheduled for late spring 2019. The changes will provide more efficient service, easier to understand schedules, improved on-time performance, and access to more areas in Cary, thereby attracting new riders and improving overall productivity.
MEETING COMMUNITY NEEDS
HURRICANE FLORENCE

Hurricane Florence made landfall at Wrightsville Beach as a Category 1 storm on Friday morning, September 14. Cary staff had monitored the hurricane approach for several days and activated the Town’s Emergency Operations Center (EOC) to coordinate response operations and recovery efforts. In addition, the Town staffed a call center around the clock and temporarily relocated it to the Public Works Operations Center.

Fortunately, Cary only endured wind gusts up to 48 mph and sustained winds of 33 mph. Rainfall amounts totaled 5.3 inches for the storm’s four-day duration. As a result, Cary was not severely impacted. Most response activities centered around trees and limbs that fell on overhead utility lines, keeping police, public works and fire crews occupied. The stormwater system functioned well given the rainfall amounts; no significant flooding was reported.

After EOC staff determined we could release extra-duty resources, the State’s EOC requested firefighting, police and swift water rescue crews for assignments in New Bern and Harnett County.

Three police officers worked 12-hour patrol shifts in New Bern for four days. The Fire Department sent Engine 9 with a four-person firefighting crew to New Bern for seven days. These officers and firefighters replaced New Bern staff, so the New Bern staff could focus on their personal recovery efforts. Engine 9 responded to 55 incidents during the assignment. The 12-person swift water rescue crew was sent to Dunn and Lillington in Harnett County for five days, responding to 20 missions and rescuing 12 people and nine animals in Harnett, Lee and Cumberland counties.

Based on current damage assessments, it is unlikely Wake County will qualify for a Presidential Disaster Declaration and any related federal disaster assistance.
911 CONSOLIDATION UPDATE

The Public Safety Answering Point (PSAP) Service Improvement Study Analysis for the Cary, Apex and Morrisville 911 consolidation continues to move forward. We are on schedule to implement these changes by the March 2019 deadline. Throughout this quarter, the three Towns held twice monthly meetings to discuss the process of a merger to a multi-agency PSAP operated from the Town of Cary’s PSAP. Each of the towns seems eager to move forward with the merger. The discussions have been focused on the network connectivity of the towns, solidifying costs associated with the purchase of necessary technology equipment, and call routing for unincorporated areas within the service areas of Apex and Morrisville. None of these items appear to be a roadblock in moving this project forward. There is a subgroup of staff members from each town that is working on a draft Interlocal Agreement (ILA) to present at an upcoming Council work session.

The consultant’s report indicated that five additional 911 Communicators were needed to provide the exemplary service that is expected by the communities of Apex and Morrisville. As mentioned in previous updates, it was decided that Cary would hire the additional staff members prior to the approval of the ILA. Three additional staff members have been identified and are in various stages of the hiring process or required field training phase of employment. There is an ongoing hiring process for two additional staff members.

DOWNTOWN PEDESTRIAN SAFETY

The Police Department has undertaken several efforts to increase the safety of pedestrians in the downtown area. In addition to the safety audit discussed in the Serve Chapter, the Traffic Safety Team and District One patrol officers have conducted multiple high visibility crosswalk enforcement efforts to educate both pedestrians and motorists as to the requirements of the law relative to navigating the roadway safely. The department has also organized additional evening foot patrols by officers during the summer months to increase our outreach to citizens visiting the downtown area. Motorists often are unaware of their responsibilities relative to pedestrians in the crosswalk, and pedestrians appear equally unaware of their responsibilities relative to utilizing crosswalks. This is particularly acute when citizens park their vehicles on the street, exit their cars, and then proceed to walk across from wherever their car was parked. It appears both drivers and walkers are still adjusting to the more urban downtown. The Police Department will continue both education and enforcement efforts in downtown, as well as other pedestrian crosswalk locations.

NATIONAL ASSOCIATION OF CLEAN WATER AGENCIES AWARDS

The Town has been a member of the National Association of Clean Water Agencies (NACWA) since 2017. As part of our membership, Cary’s wastewater treatment facilities are eligible for NACWA’s awards program that recognizes excellent performance. The Town’s North Cary Water Reclamation Facility and South Cary Water Reclamation Facility were recognized with Platinum Awards, which are based on five years of excellent performance with no violations. Staff from NCWRF and SCWRF submitted five years of operating data and regulatory compliance records to qualify for the award.
Western Wake Regional Water Reclamation Facility, which hasn’t yet been in operation for five years, also qualified for a Gold Award. The awards were presented at the NACWA national conference in July.

SCWRF STAFF

The Town’s Annual Water Quality Report, also called the Consumer Confidence Report, was certified in July. As in previous years, the report was issued electronically and summarizes thousands of drinking water tests performed in 2017. We are proud to report that the Town continues to provide high-quality drinking water that meets all state and federal regulatory standards.

NCWRF STAFF

Each year, the Town provides citizens and customers an annual review of activities and compliance with our wastewater treatment facilities and wastewater collection system. The Annual Wastewater Report of system performance from 2017 through 2018 was published in August. Printed copies are available at Cary community centers and public libraries in Cary and Morrisville.

We are happy to report that the water reclamation facilities performed exceptionally well at consistently treating wastewater to high water quality and permit standards and there were no regulatory compliance violations during the reporting period. The collection system also performed exceptionally well by having one of its best years on record with a low number and volume of sewer overflows.

ANNUAL WASTEWATER REPORT

ANNUAL WATER QUALITY REPORT

SERVE MEETING COMMUNITY NEEDS
UNDERGROUND FUEL STORAGE TANKS

New Environmental Protection Agency (EPA) regulations regarding underground storage tanks (UST) require additional inspections and testing of overfill prevention equipment, spill prevention equipment and release detection equipment. Additionally, USTs and associated piping used for emergency power generation installed before November 1, 2007 must now undergo release detection testing. All tanks, lines, and spill prevention devices need to be tested by mid-October 2018.

Upon notification of the new regulations, Public Works immediately had a fuel supplier conduct preliminary investigations and testing. The supplier estimated that a project to bring the Town into compliance with the new EPA regulations would cost approximately $200,000. Staff began working with an environmental consultant to conduct further testing and determine with more precision what will be required to bring the Town’s USTs into compliance.
MOVING FROM VISION TO REALITY
WORKING TO UNCOVER CARY’S BRAND THROUGH RESEARCH

The research portion of our Community Branding project is underway and expected to continue into early 2019. The process, which is being led by our consultants, North Star Destination Strategies, includes structured one-on-one interviews, focus groups, and surveys as well as informal conversations with citizens, workers, and visitors in various spots around Cary.

In addition to quarterly guidance from the Town’s Economic Development Committee, an interdepartmental team of staff — along with Council liaison to the EDC Jack Smith — is meeting regularly to assist with the day-to-day demands of the project.

SMALL CELL WIRELESS FACILITIES

In late September, the Federal Communications Commission adopted a Declaratory Ruling and Order (“the Order”) that will further erode local government control over siting of small cell wireless facilities. While it mirrors in some respects the 2017 legislation passed by the NC General Assembly, it goes beyond that legislation in many areas. For example, the Order further limits aesthetic and undergrounding requirements, mandates even shorter permitting turn-around times than required by state law, and further limits fees local governments may charge for processing applications. Staff is analyzing the very lengthy Order for its effect on Cary and may propose further amendments to the LDO to comply with the Order and preserve our rights.

2018 ICMA CONFERENCE

Russ Overton, Carla Witherington, Jesse Troublefield, Jerry McCormick and Penny Holler traveled to Baltimore, Maryland on September 23–26, 2018, to attend the International City/County Management Association (ICMA) annual conference to learn about best practices from a wide range of speakers and experts. This year’s conference focused on sustainable communities and building communities that last. The staff were joined by Chief Allan Cain as representative of the Center for Public Safety Excellence Board of Directors and Council Member Jennifer Robinson, who presented “Analytics for Safer Communities” and participated in a panel discussion on blockchain technology.

TECHNOLOGY CONNECTIONS

Cary’s digital transformation and connected community story shined at Dreamforce, an annual Salesforce user conference. The conference provided productive training opportunities to inspire staff to incorporate additional Salesforce integrations into our organization’s workflow. Cary staff from Planning and Development, Finance, IT, Manager’s Office, PRCR, and Public Works attended the conference.

CIO Nicole Raimundo took the stage at the Government Keynote session to spotlight Cary’s journey to date and plans to create a connected community. The presentation highlighted Cary projects, including case management, traffic signal integration, Waze, Live Message texting, and the Alexa skill. Also emphasized was the Parks, Recreation and Cultural Resources registration and reservation application. The session included a video that the Salesforce team produced about Cary as the first Salesforce Connected Community. The keynote ended with a call to action to support Hurricane Florence survivors in the Carolinas.

Cary IT staff co-led several sessions and panels about Cary’s innovation journey. Town staff participated in the creation of a Town of Cary story podcast and engaged in a Customer Advisory Board meeting for the Internet of Things (IoT) Cloud.
CITY HALL SELFIE DAY

On August 15, the Town joined municipalities across the country in marking #CityHallSelfie Day, a day for municipal workers to snap a selfie while at work. Several employees completed the #CityHallSelfie Scavenger Hunt and many more shared their selfies on social media. Dozens of selfies were shared by Town employees, resulting in hundreds of thousands of impressions. #CityHallSelfie Day also saw participation from Council members, citizen advisory board members, the Chamber and local business partners.
CATALOG UPDATE

In Keeping Cary Great, staff worked together this past quarter to continue to operationalize the Catalog. With guidance from the Town Manager, a small team from the Town Manager’s Office assigned an initial priority classification to each of the Town’s 1,600+ projects and services. Afterwards, the department directors coalesced in small groups to do the same, with each team examining a subset of the Catalog to compare against the initial priority work. The results were truly impactful: unprecedented conversation and collaboration among Town decision-makers beyond their own functional areas. With the goal to inform decision-making with knowledge supported by transparent and accurate data, the Catalog has decisively ripened to serve as the Town’s prioritization tool for its many projects and services.
## NEXT STEPS

<table>
<thead>
<tr>
<th>COUNCIL MEETING DATE</th>
<th>ITEM NAME</th>
<th>STATUS UPDATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>JANUARY 11, 2018</td>
<td>Funding Consideration to Acquire Property for Future Cary-Apex Water Treatment Facility Expansion</td>
<td>We are in the process of the historic evaluation. It is expected to be complete in fall 2018. If no historical value is found, we will proceed with demolition.</td>
</tr>
<tr>
<td>FEBRUARY 22, 2018</td>
<td>Garmon Operations Center Improvements Phase II Construction Bid Award</td>
<td>This project is on schedule. The structure is under construction and expected to be complete by fall 2018.</td>
</tr>
<tr>
<td></td>
<td>NW Cary Parkway Bridge Rehabilitation Project</td>
<td>The project is complete.</td>
</tr>
<tr>
<td></td>
<td>Funding for Leased Space for Town Managed Recreation Programs at the Village Square at Amberly</td>
<td>The project is complete and ready for programming.</td>
</tr>
<tr>
<td>MARCH 22, 2018</td>
<td>Panther Creek Greenway and Mills Park Trailhead</td>
<td>This project is behind schedule. Construction is now anticipated to begin fall 2018.</td>
</tr>
<tr>
<td>MAY 3, 2018</td>
<td>Bid Award for Western Cary Water Main Improvements</td>
<td>The completion date is fall 2019. (The Q4 date of fall 2018 was incorrect.) This project is progressing, and pipe is being installed.</td>
</tr>
<tr>
<td>JUNE 14, 2018</td>
<td>Hospitality Tax Small Capital Project Funding Agreement</td>
<td>Lights are operational in WakeMed stadium and have been used for games. Lights for Fields 2 and 3 are scheduled for completion late fall 2018, well ahead of the summer 2019 agreement for the grant.</td>
</tr>
<tr>
<td>JUNE 28, 2018</td>
<td>FY19 Transit Development Program Apprenticeship</td>
<td>The Town has not identified a candidate for this position. We are planning to re-advertise in November/December to attract fall semester graduates.</td>
</tr>
<tr>
<td></td>
<td>Sidewalk Improvements Bid Year 2018 Construction Bid Award</td>
<td>The project is on schedule with construction anticipated to begin in winter 2018.</td>
</tr>
<tr>
<td>JULY 26, 2018</td>
<td>Lease Agreement for Wake County Public Safety Radio Tower at WWRWRF</td>
<td>The agreement was approved by Wake County on September 18 (Effective Date) and is now effective.</td>
</tr>
<tr>
<td>AUGUST 23, 2018</td>
<td>Fire Station 9 Construction Bid Award</td>
<td>This project remains on schedule. The groundbreaking for the project is scheduled for mid-October.</td>
</tr>
</tbody>
</table>