



TOWN OF CARY

TOWN COUNCIL QUARTERLY REPORT

TOWN OF CARY, NORTH CAROLINA

FY 2020 FIRST QUARTER

CARY MAYOR & TOWN COUNCIL MEMBERS

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

ON THE COVER:
Emergency responders are on standby as citizens and staff alike enjoy Fourth of July fireworks at WakeMed Soccer Park.

IN MOVING CARY FORWARD

I am pleased to present this first quarter report for FY 2020. Included in this report are recaps of exciting events, a progress report on our 311 initiative, construction updates on major capital projects and, as always, a financial check-in.

As we inch closer to closing out this decade, I look forward to working together to achieve our goal of Keeping Cary Cary. As the next decade passes, it will become more difficult to stay on top of the arc. However, I am confident that with the dynamic team we have built, we will continue to rise to the occasion.

Our next Quarterly Meeting is coming up on November 7 at the Courtyard Marriott in Parkside Town Commons, our first meeting in western Cary. The agenda will be filled with lots of business to cover from development to special projects. As always, I look forward to our time together.

Sean R. Stegall

Sean R. Stegall
Town Manager



TABLE OF CONTENTS

Q4

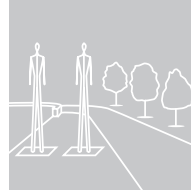
FINANCIAL HIGHLIGHTS
PAGE 3



SHAPE
PAGE 27



LIVE
PAGE 15



MOVE
PAGE 31



WORK
PAGE 19



SERVE
PAGE 39



ENGAGE
PAGE 21



ACT
PAGE 45

FINANCIAL HIGHLIGHTS

The first quarter of FY 2020 focused on the future, the present and the past. For the future, as of the date of this report, we can celebrate our preparations to fulfill even more component parts of the vision set in the Imagine Cary Community Plan following the successful \$225 million 2019 Bond Referendum. In the present, Cary is delivering services and projects with new fiscal year contracts and spending. Reflecting on the past and how it will impact our future, Q1 included preparation of the FY 2019 comprehensive annual financial report and the external independent audit of the report.

While FY 2019 audited financial statements were not complete as of the end of the first quarter, as of the date of publication of this report, we can share with confidence that the Town remains in good financial position. We expect to report an increase in fund balance because actual results exceeded budget with positive outcomes over and above the fund balance that was drawn and committed to capital in FY 2019.

FY 2020 began July 1 with an approved budget of \$336.5 million supporting both operating and capital spending. While the property tax rate remains unchanged at \$0.35 per \$100 of assessed valuation, utility rates increased 2 percent, and the monthly sanitation and recycling fee increased \$2.50 per month, from \$17 to \$19.50. This budget provides for a continuation of the service levels that our citizens have come to enjoy. More information on the budget can be found in our refreshed and restyled operating and capital budget documents or in our new budget in brief summary brochure located at www.townofcary.org.

The following pages represent an excerpt of our financial information for Q1 of FY 2020. By reading this report, you are taking an important step in understanding and participating in the financial future of the Town. The information is a high-level snapshot of the General and Utility funds. Like previous first quarters, there are not any significant variances in results comparing year over year. Also consistent with the past, the first quarter of FY 2020 demonstrated progress on capital and operational projects as well as solid service delivery, again in alliance with the Imagine Cary Community Plan. The figures in this report are unaudited for management use only and are not prepared in full compliance with generally accepted accounting principles used at year end.

2020 FIRST QUARTER FINANCIAL RESULTS

GENERAL FUND

FY 2020 Q1 GENERAL FUND SUMMARY, non-GAAP, unaudited

	FY 2020 ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
Revenues	\$ 191.7	\$ 21.5	11%	\$ 21.1	\$ 0.4	2%
Expenditures	191.7	41.7	22%	29.2	12.5	43%
TOTAL REVENUE OVER/ (UNDER) EXPENDITURES	\$ -	\$ (20.2)	-	\$ (8.1)	\$ (12.1)	149%

* 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.

Overall, expenses surpassed revenues this first quarter, as compared to the prior year, by more than 100 percent. Historically, expenses consistently outpace revenues in the first quarter because General Fund revenues are not received evenly during the year. This year’s variance, as detailed below, is directly related to the timing of when transfers are made. Revenues are relatively consistent when comparing results year over year, changing by only two percent. The details on notable revenue and expense variances, by category, follow.

FY 2020 Q1 GENERAL FUND REVENUES, non-GAAP, unaudited

	FY 2020 YTD ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
Property Taxes	\$ 96.2	\$ 13.8	14%	\$ 13.5	\$ 0.3	2%
Other Taxes & Licenses	38.8	0.3	1%	0.5	(0.2)	-40%
Unrestricted Intergovernmental	10.8	0.0	0%	0.0	0.0	0%
Restricted Intergovernmental	0.3	0.2	67%	0.5	(0.3)	-60%
Permits & Fees	5.3	1.3	25%	1.3	0.0	0%
Sales & Services	20.7	4.8	23%	4.5	0.3	7%
Miscellaneous Revenue	3.1	0.3	10%	0.4	(0.1)	-25%
OPERATING REVENUES	175.2	20.7	12%	20.7	0.0	0%
Non-Operating Revenues	16.5	0.8	5%	0.4	0.4	100%
TOTAL GENERAL FUND REVENUES	\$ 191.7	\$ 21.5	11%	\$ 21.1	\$ 0.4	2%

Revenues often fluctuate year-to-year due to the timing of revenue allocations from state or federal sources. The timing of recording revenue receipts accounts for the decrease in Other Taxes and Licenses. The 40 percent decline is due to the first allocation of occupancy tax being recorded in Q1 of FY 2019. In FY 2020, the first allocation was not recorded until Q2. It is important to note that sales tax revenue is included within the Other Taxes and Licenses category. Due to the timing of state distributions, there have been no receipts for sales tax revenues, which is consistent with prior years. Cary will receive its first sales tax distributions for FY 2020 in October 2019, and these revenues, which make up 19 percent of the General Fund revenue budget, will be discussed in more detail in Q2.

Revenues in the Restricted Intergovernmental category decreased 60 percent in Q1 FY 2020 compared to the same period in FY 2019. This variance is due to the Police Department receiving Federal Forfeiture Funds of \$300,000 in Q1 of the prior year and only \$50,000 to date in FY 2020.

Non-Operating Revenues doubled in FY 2020 compared to FY 2019. This is due to an increase in bond proceeds and investment earnings. The Town received \$200,000 in bond premium revenue from the July 2019 bond issuance. Investment earnings also increased by \$200,000 compared to the prior year. See the Cash and Investments section of this report for more details on investment income.

PROPERTY TAX

Property tax revenue is 50 percent of total budgeted revenue and is the largest single revenue source for the General Fund. Taxes are based on an ad valorem tax levy on real property and personal property. Real property includes items such as land and buildings; personal property includes items such as vehicles and business equipment. Real property taxes were billed in July 2019 and are due no later than January 6, 2020. Most real property tax revenue is received during Q2. Conversely, most personal property tax revenue is collected throughout the year based on the State of North Carolina’s Tax and Tag program, which combines the vehicle ad valorem tax collection with the State’s vehicle license renewal process. \$13.8 million was received in both real and personal property tax revenue in Q1 of FY 2020, a two percent increase over the same period in FY 2019.

FY 2020 Q1 GENERAL FUND EXPENSES, non-GAAP, unaudited

	FY 2020 YTD ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
General Government	\$ 33.8	\$ 6.8	20%	\$ 6.0	\$ 0.8	13%
Public Safety	54.6	10.3	19%	9.4	0.9	10%
Operations (PW & PRCR)	53.6	11.0	21%	8.5	2.5	29%
Development & Infrastructure	17.4	3.0	17%	3.2	(0.2)	-6%
OPERATING EXPENDITURES	159.4	31.1	20%	27.1	4.0	15%
Non-Operating Expenditures	32.3	10.6	33%	2.1	8.5	405%
TOTAL GENERAL FUND EXPENDITURES	\$ 191.7	\$ 41.7	22%	\$ 29.2	\$ 12.5	43%

As with revenues, first quarter expense variances are often due to timing. The increases in General Government, Public Safety and Operations in FY 2020 include health insurance. In FY 2019, health insurance was originally budgeted as Non-Operating Expenditures during Q1 of FY 2019. The decision was made to place these budgets into departments as of Q2 FY 2019 to better represent operating costs. Also, the Non-Operating Expenditures variance reflects the timing of accounting transfers from the General Fund to other funds. Approximately \$7.9 million of these transfers, primarily to fund capital expenditures, occurred in Q1 of FY 2020 but did not occur until Q2 of FY 2019.

Encumbrances represent funds that have been reserved in the accounting system to satisfy a commitment to make a purchase. The table to the right shows the total outstanding encumbrances remaining at the end of Q1. When including these encumbrance amounts with year-to-date spending amounts, the General Fund has nearly \$150 million remaining in the operations budget for the fiscal year.

**GENERAL FUND OPERATIONS -
FY 2020 REMAINING ENCUMBRANCES**

General Government	\$ 5,959,933
Public Safety	1,408,699
Operations (PW & PRCR)	10,217,048
Development & Infrastructure	834,451
Debt Service	143,982
Contingencies & Reserves	3,500,802
TOTAL ENCUMBRANCES	\$ 22,064,915

UTILITY FUND

FY 2020 Q1 UTILITY FUND OPERATIONS SUMMARY, non-GAAP, unaudited

	FY 2020 YTD ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
Revenues	\$ 86.6	\$ 16.3	19%	\$ 17.4	\$ (1.1)	-6%
Expenditures	86.6	12.6	15%	9.4	3.2	34%
TOTAL REVENUE OVER/ (UNDER) EXPENDITURES	\$ -	\$ 3.7	-	\$ 8.0	\$ (4.3)	-54%

* The above table is 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.

Utility Fund net results in FY 2020 have decreased 54 percent from FY 2019. See below for an analysis of revenues and expenditures.

FY 2020 Q1 UTILITY FUND OPERATIONS REVENUES, non-GAAP, unaudited

	FY 2020 ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
Water Service	\$ 31.1	\$ 6.7	22%	\$ 7.1	\$ (0.4)	-6%
Sewer Service	48.3	8.8	18%	9.3	(0.5)	-5%
Permits & Fees	2.2	0.5	23%	0.7	(0.2)	-29%
OPERATING REVENUES	81.6	16.0	20%	17.1	(1.1)	-6%
Non-Operating Revenues	5.0	0.3	6%	0.3	0.0	0%
TOTAL UTILITY FUND REVENUES	\$ 86.6	\$ 16.3	19%	\$ 17.4	\$ (1.1)	-6%

Utilities revenues decreased in Q1 FY 2020 compared to Q1 FY 2019 due to the timing of billing vs. consumption for FY 2019 water and sewer service. Permits and Fees revenue, which makes up three percent of the utility fund revenues, declined by 29 percent due to a decline in irrigation cross-connection inspections in Q1. Also, after the Cary/Apex Water Treatment Plant expansion, wholesale capacity charges to other governmental units decreased because relative allocated capacity to those units decreased as a share of the expanded plant capacity.



FY 2020 Q1 UTILITY FUND OPERATIONS EXPENSES, non-GAAP, unaudited

	FY 2020 ADJ BUDGET	FY 2020 YTD ACTUAL	% OF BUDGET	FY 2019 YTD ACTUAL	FY 2019 VARIANCE	VARIANCE %
Administration	\$ 10.8	\$ 2.0	19%	\$ 1.7	\$ 0.3	18%
Field Operations	16.9	3.3	20%	2.6	0.7	27%
Wastewater (net of Apex)	11.0	2.2	20%	1.8	0.4	22%
Water Treatment Plant (net of Apex)	8.5	1.9	22%	1.8	0.1	6%
OPERATING EXPENDITURES	47.2	9.4	20%	7.9	1.5	19%
Non-Operating Expenditures	39.4	3.2	8%	1.5	1.7	113%
TOTAL UTILITY FUND EXPENDITURES	\$ 86.6	\$ 12.6	15%	\$ 9.4	\$ 3.2	34%

Utility divisions hit the ground running this fiscal year, executing more contracts and purchasing more supplies and chemicals than in the first quarter of FY 2019. Spending trends are within expectations with actual operating expenses as a percentage of budget. Total expenses as a percentage of budget increased four percent compared to FY 2019. Like the changes in budgets in the General Fund, some operating expense variances are due to the change in accounting and budgeting for health insurance from non-operating expenditures into operations, and the non-operating expenses variance reflects the timing of capital transfers that had not yet occurred in FY 2019.

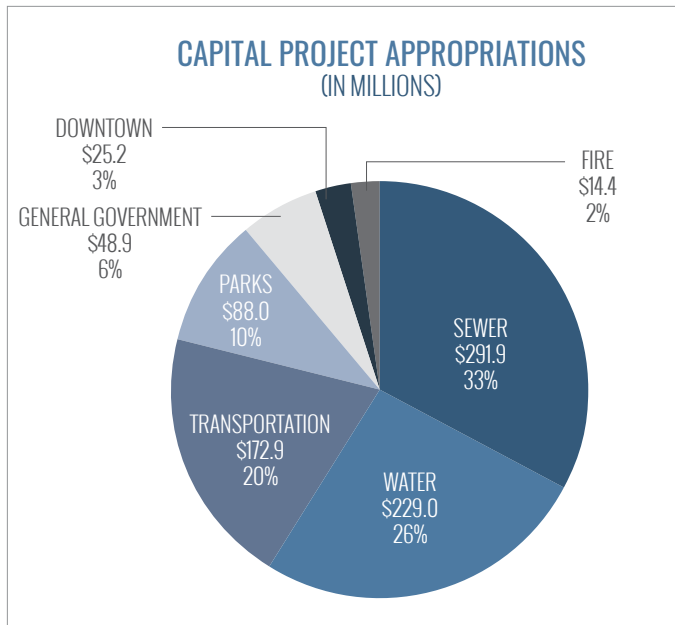
Similar to the General Fund, encumbrances represent funds that have been reserved in the accounting system to satisfy a commitment to make a purchase. The table to the right shows the total outstanding encumbrances remaining at the end of Q1 for the Utility Fund. When including these encumbrance amounts with year-to-date spending amounts, the Utility Fund has nearly \$70.2 million remaining in the operations budget for the fiscal year.

UTILITY FUND OPERATIONS - FY 2020 REMAINING ENCUMBRANCES

Administration	\$ 550,854
Field Operations	1,200,337
Wastewater	3,066,183
Water Treatment Plant (net of Apex)	2,866,282
Debt Service	11,800
Contingencies & Reserves	1,974,711
TOTAL ENCUMBRANCES	\$ 9,670,167

CAPITAL PROGRAM

On June 30, 2019, Cary had 410 active capital projects. Utility projects, with a total budget of \$525.2 million, comprise 60 percent of the capital spending authorization. General capital projects total \$343.8 million, or 40 percent of the total \$869 million capital authorization.



After FY 2019 project closure and with new FY 2020 project appropriations, Cary has 442 active capital projects with approximately \$870 million committed in resources. Utility projects totaling \$521 million comprise 60 percent of the capital spending authorization. General capital projects total \$349 million, or 40 percent of the total capital authorization.



CAPITAL PROJECT SPENDING THROUGH Q1 (IN MILLIONS)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Downtown	\$ 0.4	\$ 0.1	\$ 0.1	\$ 4.0	\$ 0.1
Fire	1.2	1.2	0.8	0.0	1.6
General Government	0.8	1.0	0.8	1.6	1.6
Parks	2.2	1.5	0.5	0.5	2.3
Streets	3.0	1.4	3.5	1.6	3.8
Sewer	1.6	0.5	0.8	1.3	1.4
Water	8.8	2.0	1.9	5.4	2.1
TOTAL	\$ 18.0	\$ 7.7	\$ 8.4	\$ 14.4	\$ 12.9

Capital project spending totaled \$12.9 million in Q1. The three largest investments in capital for the community in the quarter were \$2.5 million on streets renovations throughout Cary, \$1.5 million on construction related to Fire Station 9 on Walnut Street, and \$770,000 for the purchase of body-worn and in-car cameras for police. The mix of capital projects changes over time; as a result, there are no discernable patterns in capital spending.

FY 2020 CAPITAL PROJECT SPENDING



BUDGET

MID-YEAR APPROPRIATIONS

Almost \$1.2 million was included in the FY 2020 operating budget to support emerging or unforeseen needs arising during the fiscal year. In Q1, \$210,717 was appropriated by Council to fund expenses associated with economic development.

Q1 GENERAL GOVERNMENT MID-YEAR APPROPRIATIONS

Available for Mid-Year Appropriations	\$	1,177,299
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Appropriation from General Fund Balance	Economic Development Expenses	(210,717)
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REMAINING AVAILABLE FOR MID-YEAR APPROPRIATION	\$	966,582
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Q1 DELEGATED BUDGET AUTHORITY ACTION

Throughout the fiscal year, challenges and opportunities develop 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. In Q1, there were no inter-functional budget adjustments.



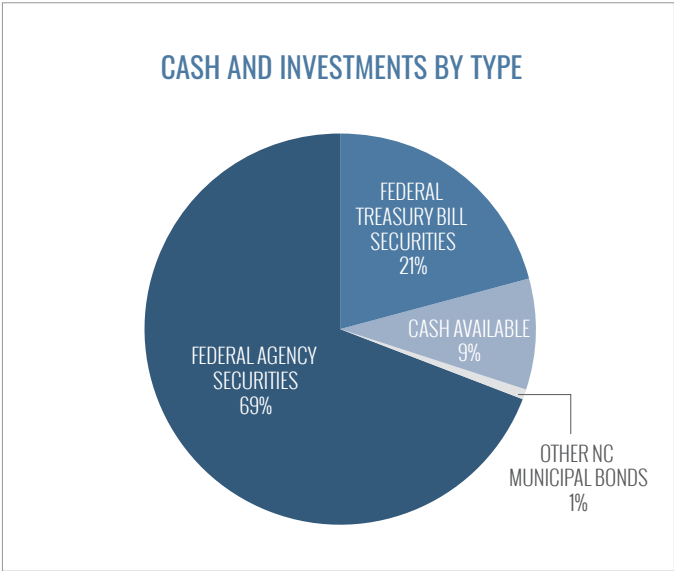
BUDGET PUBLIC INPUT AND RECOMMENDATIONS

Citizens are invited to share budget priorities throughout the year via social media, voicemail and email. There were eight budget public input comments in Q1.

CATEGORY	COMMENTS RECEIVED	PLATFORM	TYPE OF COMMENT
General	3	Budget Public Input (email); Twitter; Budget Public Input (email)	Request to modify Project Phoenix program Requests to redirect funds from parks to affordable housing, expand GoCary bus routes to stops within walking distance for majority of residents; objection to Cary’s current social media management platform Recommendation by the Tree Committee of the Environmental Advisory Board that the Town increase its tree canopy from 44 percent to 56 percent
Sidewalks	1	Budget Public Input (email)	Request for sidewalk along Murphy Drive to the train tracks
Greenway	1	Budget Public Input (email)	Request for more recycling bins on greenway trails
Bond Referendum	3	Budget Public Input (email); Budget Public Input (voicemail); Twitter	Objection to water and sewage pricing impacting “no” vote on park and transportation projects Request for information on tax implications should bond pass Request for information on current debt payments, tax implications of purchasing more bonds, and purchase specificity
TOTAL	8		

CASH AND INVESTMENTS

At the end of Q1, cash and investments totaled \$512 million. Approximately \$40 million is maintained in bank accounts to ensure immediate access to funds. The remainder is invested in securities that, first, ensure the safety of the principal; second, provide quick access to additional funds for any unforeseen needs; and finally, earn the maximum interest income. At any one time, Cary holds approximately 150 different investments that are scheduled to mature every three to seven days over the next three to four years to match projected disbursements for payroll and Town expenses.



The cash and investment program is overseen by a fixed fee independent consultant. Financial advisors compile a weekly cash flow forecast and provide market insights, advice and reporting on a quarterly basis.

During calendar year 2018, the Federal Reserve raised the federal funds rate four times in 0.25 percent increments from 1.25 percent to 2.25 percent. The rate is currently at 1.75 percent after two 0.25 percent decreases in August and September 2019. At the time the FY 2020 budget was developed, interest rates were continuing to climb, and the Town was able to purchase investments at 2.50 percent and higher. Due to the decrease in the federal funds rate, purchases made in Q1 of FY 2020 have averaged a yield to maturity of 1.60 percent compared to 2.13 percent for Q1 in FY 2019. Staff will continue to monitor the interest rate environment and may recommend a decrease in the FY 2020 interest earning revenue budget should rates continue to fall. Because the majority of the Town's investments are purchased between November and February in concert with large deposits from property tax collections, the impact of rate changes on the FY 2020 budget will be more evident in Q3.



DEBT

The successful Shaping Cary's Tomorrow bond referendum on October 8 granted the Town of Cary authority to finance up to \$112 million for parks and recreation projects and up to \$113 million for transportation projects. The election outcome was certified by the Wake and Chatham Board of Elections on October 14. Legal documents are being prepared for Council action on November 21 to confirm the outcome. In accordance with state statute, after a 30-day public notice of Council certification, the referendum results will be final in late December. Staff will continue planning and implementing the capital projects based on priorities identified in the Imagine Cary Community Plan.

As planned, Cary issued \$16.05 million in general obligation bonds on July 16, 2019. The bond sale was based on the final remaining voter authority from the 2012 Community Investment Bond Referendum and will pay for fire, parks and recreation, and transportation projects.

The sale was competitively bid, and participation exceeded expectations with 10 financial institutions submitting bids. Morgan Stanley was awarded the bid with the lowest interest rate of 2.18 percent, which was a lower rate than projected and reflects recent economic changes in market interest rates.

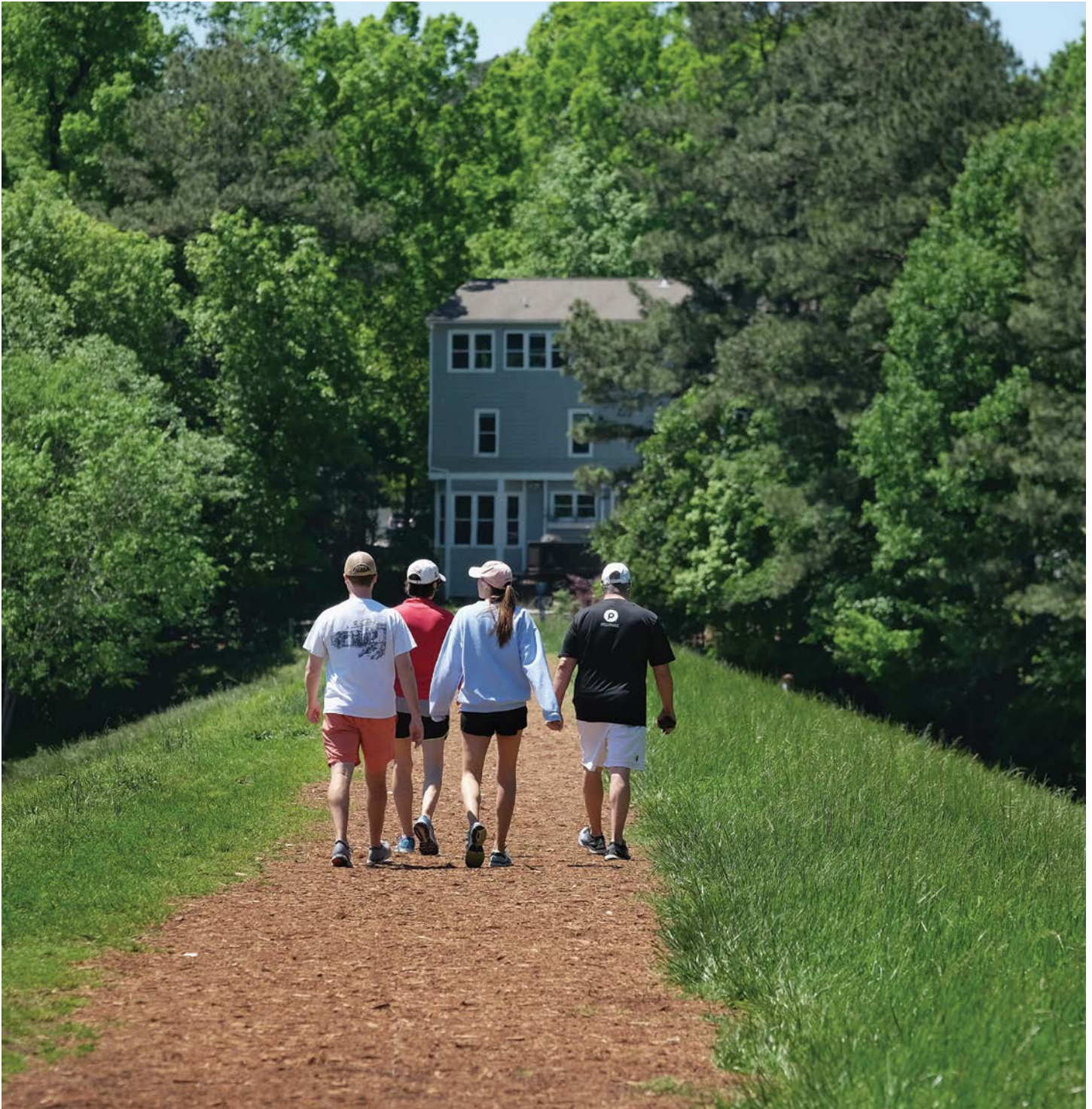
ECONOMIC OUTLOOK

Mid-year economic assessments reported by Wells Fargo Bank, TD Bank and The Federal Reserve all agree that North Carolina's 2019 economic outlook is favorable. The Raleigh/Cary metropolitan area housing market remains strong with positive indicators such as median home price appreciation, home sales turnover rate and job growth. On September 23, 2019, WalletHub concluded that Cary is the fourth best city in the US to buy a home in for buyers interested in "long-term growth, equity and profit." In short, the Raleigh/Cary metropolitan area continues to attract businesses, jobs and residents and is expected to do so throughout the remainder of the calendar year.

National economic reports indicate that the Federal Reserve may lower the federal fund rate again in October and/or December. There are some indications that the economy is slowly migrating toward recession; at the same time, other indicators remain strong. As mentioned in the Cash and Investments section above, a decline in rates may impact Cary's FY 2020 interest earnings budget; however, the decline in rates will benefit the Town's variable rate debt as the interest rate is reset weekly. The Town's variable debt interest rate has fallen from a monthly average high of 1.84 percent in April to 1.48 percent in September.



FOSTERING STRONG NEIGHBORHOODS





LEADERSHIP AWARD

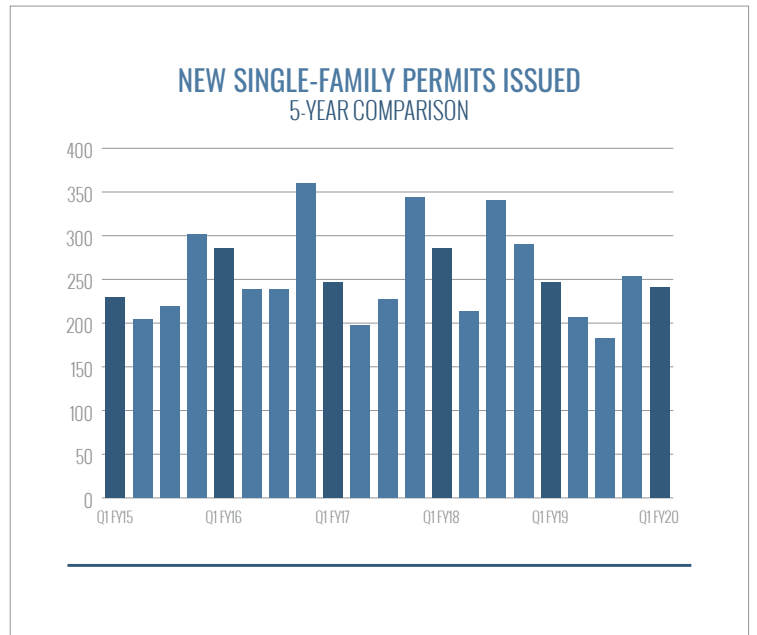
Mayor Harold Weinbrecht was honored with the 23rd annual John B. Ross, Jr. Leadership Award by the Greater Raleigh Convention and Visitors Bureau for his leadership and vision in transforming the Town of Cary into a premier sports destination. Cary is widely known for its world-class sports facilities and for hosting sporting events, including more than 60 NCAA and ACC events in just the last 15 years. More than 5 million people have come through the gates of WakeMed Soccer Park, USA Baseball Training Complex and the Cary Tennis Park, generating an economic impact of more than \$100 million. Mayor Weinbrecht accepted the award at the 2019 Greater Raleigh Convention and Visitors Bureau Awards luncheon.



SINGLE-FAMILY PERMITS

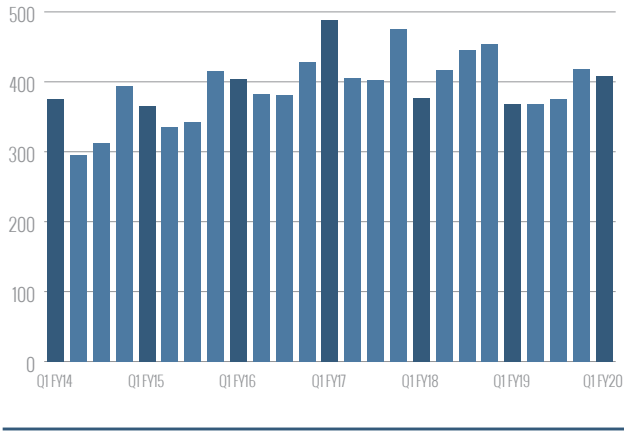
New single-family permits for Q1 totaled 241, down 6.6 percent from the quarter's five-year average of 258. The top three subdivisions permitted were Brickyard (54), Amberly Glen (21) and Savaan Townes (20).

There were 224 single-family certificates of occupancy (COs) issued in Q1, an average of 3.5 COs every working day. The subdivisions receiving the most COs were Amberly Glen (35), Brickyard (23), Blakeley (15) and Ridgefield Farms (15).





RESIDENTIAL ALTERATIONS & ADDITIONS
5-YEAR COMPARISON



RESIDENTIAL ALTERATION AND ADDITION PERMITS

Residential alteration and addition permits for Q1 totaled 408, a 2 percent increase from the quarter’s five-year average of 400. This gradual increase in permits for existing homes is consistent with the themes of redevelopment contained in the Imagine Cary Community Plan.







ASSURING CONTINUED PROSPERITY





XEROX COMING TO CARY



On August 13, 2019, Governor Cooper announced that Xerox will build a new Center of Excellence in Cary. This Center of Excellence will be Xerox's fourth in North America. Other centers are located in Palo Alto, California; Webster, New York; and Toronto, Canada. The announcement followed months of negotiations between Xerox and NC Department of Commerce, NC Economic Development Partnership, NC Community College System, Wake County Economic Development, Wake County, Cary Chamber of Commerce and the Town of Cary.

The Xerox project was approved for a Job Development Investment Grant (JDIG) by the NC Economic Investment Committee. To receive the economic development incentives, Xerox agreed to make an \$18.4 million capital investment and create 600 jobs with an average salary of \$113,000. Town Council approved an incentive of \$210,717 over 5 years to be paid out when investment and job creation requirements are met.

AWARDS



The International Municipal Lawyers Association (IMLA) is dedicated to advancing the interests and education of local government lawyers. Lisa Glover, Cary's Senior Assistant Attorney, has been awarded the designation of IMLA Local Government Fellow. The prestigious IMLA Local Government Fellows Program was established to recognize attorneys as legal specialists in the field of local government law and to encourage attorney proficiency and competency in the local government legal field. The Fellows Program offers local governments a reliable benchmark for determining experienced and knowledgeable practitioners. Lisa Glover, one of two Fellows in North Carolina, joins a select group of lawyers in the United States and Canada recognized by IMLA as specialists in the field of local government law.



EXPERIENCING THE CARY COMMUNITY





MERIT BADGE COLLEGE



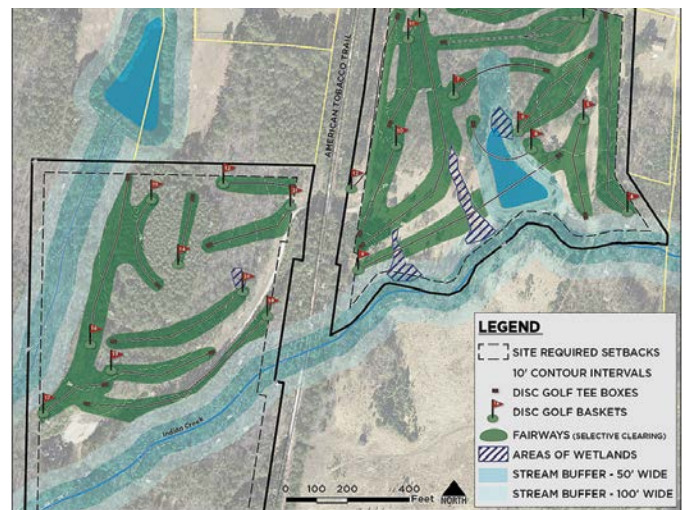
On Saturday, August 3, 2019, more than 260 scouts and 50 adult volunteers from two dozen troops attended the first-ever Town of Cary Merit Badge College and filled the Council Chambers for the opening ceremony. Hosted in coordination with the Occoneechee Council of the Boy Scouts of America, the event offered the opportunity for scouts to earn merit badges related to municipal government. Demand for the 15 classes was so high that when registration opened in mid-July, the event filled up in just 15 minutes.

Council Member Jennifer Robinson originally suggested the idea of having staff members use their expertise to teach Scout Merit Badges with the opportunity to help scouts understand how these topics relate to municipal government. Development Planning Manager Rob Wilson suggested offering a selection of such merit badges on the same day, making it a major campus-wide event. Planning for the event began in January 2019, and over 70 Cary staff members got involved and volunteered their Saturday to help make the event possible.

Merit badge classes held on the Town Hall Campus included Citizenship in the Community, Architecture, Landscape Architecture, American Labor, Chess, Digital Technology,

Disabilities Awareness, Dog Care, Fingerprinting, Crime Prevention, Journalism and Traffic Safety. An Automotive Maintenance class was held at the fleet facility at Public Works, a Soil and Water Conservation class visited the Cary/Apex Water Treatment Plant and the North Cary Water Reclamation Facility, and the Fire Safety class visited Fire Station 2. Given the high demand and positive feedback, planning is already underway to host the second annual Town of Cary Merit Badge College on Saturday, August 1, 2020.

WESTERN CARY DISC GOLF COURSE



Over the last two years, staff members have been working on the planning, permitting and construction of a new disc golf course on 46 acres adjacent to New Hope Trailhead Park. Cary currently has one course at Middle Creek School Park. This second course was designed to have a mix of land features and rolling terrain, creating the setting for a course with a balance of playability. The course straddles the American Tobacco Trail and is located just south of the existing trailhead, which has restrooms and a picnic shelter. Volunteers coordinated by Capital Area Disc League are in the final stages of installing tees and baskets for the 22-hole course.



LAZY DAZE 2019



The 44th annual Lazy Daze Arts & Crafts Festival from August 24–25 featured over 300 artists from 18 states, 30 food vendors and four stages of entertainment. The Page-Walker Arts & History Center hosted the NC Storytelling Guild, a watercolors gallery by David and Sean Stickel and a Kids Zone in the gardens. Demonstrations from leather workers, master chefs and live painters took place at the Herb Young Community Center.

Jerry Miller, local artist and founder of Lazy Daze, was honored by dedicating and renaming The Parlor, a historic room in the Page-Walker Arts & History Center, to the “Jerry Miller Room.” Jerry Miller’s family and close friends, along with Town Council, attended.

Creative Block was an out-of-the-box approach by mural artist Lisa Gaither to create an eye-catching and functional safety roadblock. To create a pedestrian-friendly entrance to 2019 Lazy Daze Festival, Lisa painted canvas that wrapped eight jersey barriers at the intersection of Chapel Hill Road and Academy Street.

The North Carolina Taiwanese Cultural Arts, Sister Cities Association of Cary and the Town of Cary collaborated on a culinary arts experience featuring a demonstration

and food tastings. Taiwanese Cultural Arts selected two master chefs from Taiwan, Chef Hsu Cheng-Tang and Chef Lee Chien-Hsuan, to host the culinary demonstrations and provide samples of their food. Close to 400 small plates, 400 spring rolls, 400 pot stickers and 200 sesame balls delighted the palates of festival attendees.

The threat of rain, which did eventually close the festival around 4:30 p.m. on Saturday, did not deter festival aficionados from attending. Furthermore, Lazy Daze continued to see the benefit of being a two-day festival and providing the public with another opportunity to visit the festival on Sunday.

ARTS AL FRESCO



Artist Brand Spencer and brick masons from Pinnacle Masonry completed the sculpture brick bench, *Arts Al Fresco*, along the Black Creek Greenway at the Old Reedy Creek Trailhead.



VETERANS EXPERIENCE ACTION CENTER



American Legion Post 67, the Winston-Salem Regional Office (WSRO) of the Veteran's Administration and other community partners held a Veterans Experience Action Center (VEAC) at the Herb Young Community Center September 12-14. NC Department of Military and Veterans Affairs Secretary Larry D. Hall and staffers from Governor Roy Cooper's office attended the event.

WSRO staffers provided assistance for 1,131 veterans and their families, including two World War II veterans and multiple Korean War veterans. Veterans Service Officers interviewed veterans, helping them file new claims. During the three-day event, 831 claims were received: 443 new disability compensation claims, 186 supplemental/higher level review claims and 52 Intents to File. In addition, several on-the-spot rating decisions were completed for claims requiring expedited action, and more than \$516,869 in retroactive benefits were paid out.

This event was a tremendous success for the WSRO. The opportunity to serve so many veterans and their families in such a personal way is not a daily occurrence and being able to provide immediate assistance, explanation of benefits and services, as well as definitive action on claims that were ready for completion was extremely rewarding. Cary officials and staff were pleased to play a part by hosting the event.

SUMMER CAMPS



Summer Camp options for families continue to be an important citizen service. In 2019, there were 9,568 registered participants in a variety of camp programs across Cary. A significant success for this year was decreasing the wait list from 1,866 in 2018 to 1,399 in 2019. This was primarily accomplished by adding 40 participants per week for day camps at Bond Park. Adding capacity to this program allowed for 285 more participants.

This is the third year the Town has used ePact to collect on-line emergency information forms for families. This application allows families to submit secure medical information electronically and for staff to access that information via the web, resulting in a more efficient operation. Approximately 80 percent of participants utilized this service. A continuing challenge for camps is staff recruitment. Strategies to address this issue are being developed for 2020.



SPORTS VENUES - A YEAR IN REVIEW



Staff analyzed FY19 operations stats for WakeMed Soccer Park, USA Baseball National Training Complex, Cary Tennis Park, Sk8 Cary and the softball complexes at Thomas Brooks Park and Middle Creek Park. Revenues came in at \$4.1 million, or \$254,000 more than projected, and expenses were \$5.3 million, or \$34,000 less than projected (including both PRCR and PW expenses). This resulted in a 79 percent cost recovery, the highest cost recovery to date for Cary's sports venues. The increase in revenue was not due to any one factor but to cumulative, incremental increases at each venue, especially at WakeMed Soccer Park and Cary Tennis Park.

WESTERN CARY PROGRAMMING



Given the ongoing demand for services in western Cary, staff members have developed alternate program locations for citizens in this area.

- In partnership with Wake County Public Schools, the newly-constructed Alston Ridge Middle School included Cary-funded upgrades for the school gym including retractable basketball goals, pickleball courts, and a gym divider curtain to facilitate programming. The first activities began in September with youth basketball league play, pickleball and open gym.

- Summer camps have been provided at Mills Park Elementary School since 2016. Participation increased from 241 campers in 2016 to 904 campers in 2019.
- Year-round programming is offered at The Hive. Since opening in October 2018, The Hive has served 1,258 participants with 354 art and recreation activities.

ASIA FEST



The sixth annual Asia Fest, co-sponsored by Asian Focus NC, welcomed more than 6,500 visitors to Koka Booth Amphitheatre on September 28. Asia Fest was formally known as the Dragon Boat Festival, but the name was changed in 2019 to more broadly highlight Asian culture in the Triangle. Asia Fest hosts a large dragon boat competition with 25 teams, some traveling from Beaufort, Charlotte and the state of Virginia, to compete in three heats. In addition to the dragon boat races, festival goers were entertained by 80 acts that performed throughout the day and were able to connect with vendors selling food and merchandise. Lieutenant Governor Dan Forest and nearly 40 dignitaries from local municipalities joined in the festivities.



ATLANTIC TIRE CHAMPIONSHIPS



The Atlantic Tire Championships were held at Cary Tennis Park September 9–15. This Association of Tennis Professionals (ATP) men’s tournament is a springboard for players looking to gain direct entrance into larger ATP Tour Events. Andreas Seppi was this year’s singles champion. In addition to providing a local opportunity to see professional tennis matches, the tournament hosted a variety of community events, including an Abilities Tennis of North Carolina clinic, a wheelchair tennis clinic and a ladies charity event benefiting Transitions LifeCare. The tournament had its largest attendance to date with a 100 percent increase in ticket sales from last year.

CARY TENNIS PARK RECEIVES FACILITY AWARD



Cary Tennis Park received the U.S. Tennis Association’s (USTA) highest facility honor as the winner of the 2019 Featured Facility Award. Nominees are judged on the construction and renovation of their facilities and their tennis programming. Of the 25 winners, Cary Tennis Park was the only winner designated a Featured Facility. Cary Tennis Park was recognized for its commitment to community tennis and its recent facility improvements, including covered courts with heaters and multipurpose youth courts with pickleball lines. Also mentioned in the USTA-produced video that premiered during the awards presentation was the addition of Playsight cameras with integrated live scoring accessible online. Mayor Harold Weinbrecht and Parks, Recreation and Cultural Resources Director Doug McRainey accepted the award during the U.S. Open in New York.



GUIDING COMMUNITY GROWTH





DOWNTOWN PARKING DECK



Cary staff are coordinating with Wake County on the grand opening and dedication of the Cary Regional Library. Located at the corner of Walnut and Walker Streets, the adjacent 600-space parking deck will supply parking not only for the library but also for Cary venues, the general public and future mixed-use development. Included amenities are electric charging stations in the parking deck and public restrooms in the lower level of the library. The grand opening and dedication is scheduled for November 3, 2019.

SAMS-JONES HOUSE



The Sams-Jones House, located at 324 S Academy Street, is under renovation in preparation for a new downtown restaurant. Construction began in July 2019 and is on schedule to be completed this fall. The project includes new flooring, interior and exterior painting, ADA improvements and a 308 square-foot addition for new restrooms and a walk-in cooler. The restaurant is anticipated to open in winter 2020.





NON-RESIDENTIAL PERMITS

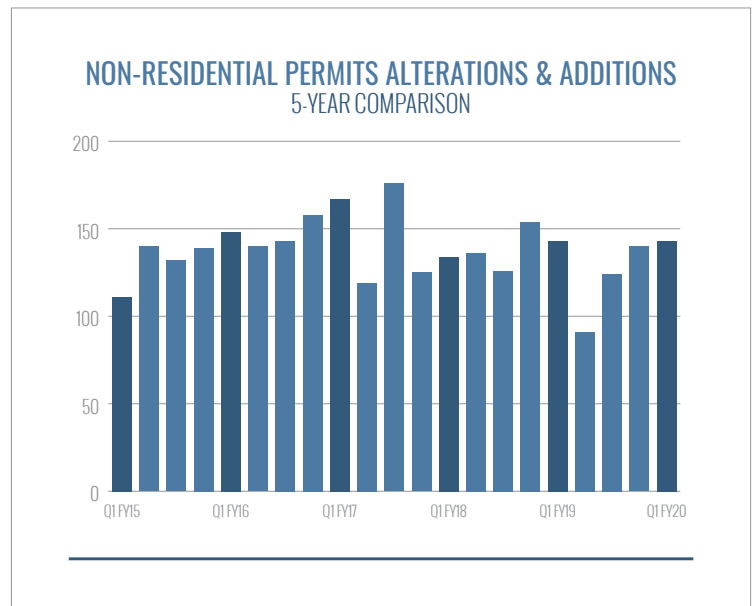
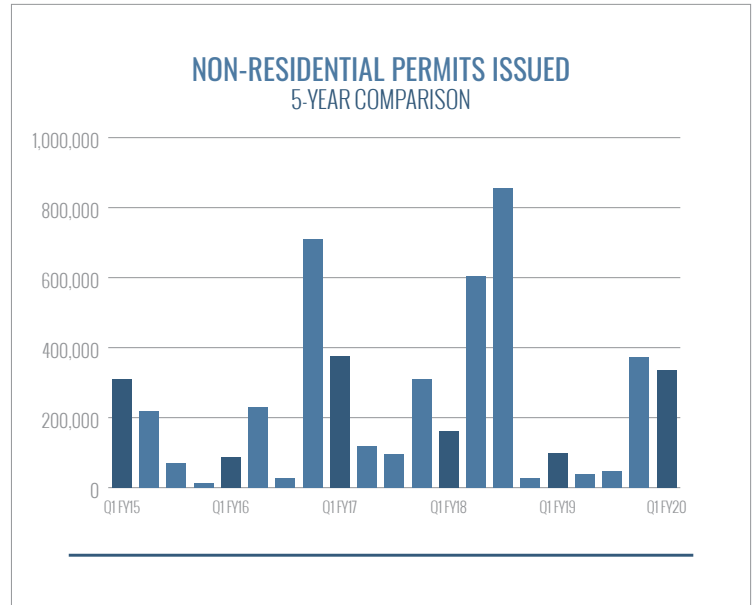
In Q1, eight new non-residential permits were issued, for a total of 335,822 square feet. This square footage represents a 62 percent increase from the Q1 five-year average of 206,732 square feet. The three largest new non-residential permits issued were:

- Wegmans Food Market at Twin Lakes, 3710 Davis Drive – a 104,517 square-foot supermarket with 6,605 square feet of covered outdoor seating and 600 parking spaces
- Medical Office Building II: HealthPark at Kildaire, 110 and 120 Kildaire Park Drive – a five-story, 86,172 square-foot medical office building with a five-story, 102,684 square foot parking deck with 311 parking spaces
- Bitting Electric, 1000 Northgate Court – a single-story, 32,001 square-foot building consisting of 8,963 square feet of office space and 23,038 square feet of warehouse storage

NON-RESIDENTIAL ADDITION AND ALTERATION PERMITS

There were 143 non-residential addition and alteration permits issued in Q1, a slight increase from the Q1 five-year average of 141. The three largest projects were:

- WakeMed Cary Hospital Expansion, 1900 Kildaire Farm Road – a 102,000 square-foot vertical addition and a 25,750 square-foot renovation, increasing the height of the building from three stories to six stories and adding 80 inpatient beds and a rooftop helipad
- Anchor Auto Outlet, 1300 Buck Jones Road – conversion of a vacant 71,360 square-foot single-story building into a motor vehicle showroom. The building was occupied by Princess Nails Supplies until they completed a new 91,340 square-foot building in Cary in fall 2018. The site was initially developed in 1996 as the first location for Crossroads Ford.
- Big Lots, 128 Kilmayne Drive – a 46,997 square-foot retail store renovation in Kroger Plaza





REZONINGS

During Q1, there were 28 cases in the rezoning process; five cases were approved.

- 1) An existing building on White Oak Church Road was approved for an additional use.
- 2) A 1.98-acre tract at Green Level West Road and Branton Drive was rezoned to Office and Institutional Conditional Use (OI-CU) to allow a standalone office building of up to 15,000 square feet.
- 3) The rezoning for the Pendergraft tract allows for up to 26 detached, single-family units.
- 4) The Twyla Road North rezoning allows for a mix of residential and non-residential uses – 10,000 to 40,000 square feet of commercial/retail use, a 140 to 200 bed hotel, and up to 395 units of multi-family residential.
- 5) The largest rezoning approved in Q1 was for Duke Health Systems, also a mix of residential and non-residential uses. This 69-acre rezoning located in the Green Level Destination Center allows for a maximum of 750,000 square feet of office, 55,000 square feet of commercial, 250 hotel rooms, 250 multi-family units and a 100-bed hospital.

DEVELOPMENT PLANS

Eleven development plans were approved in Q1, totaling just over 29,000 square feet of non-residential use. In addition to the non-residential use, development plans also allow for 212 multi-family units and 48 single family lots. Two pet boarding and veterinarian services buildings accounted for most of the nonresidential square footage – 24,391 square feet. One multifamily development, Lafayette Park at NW Cary Parkway and Evans Road, accounted for all of the multi-family units.

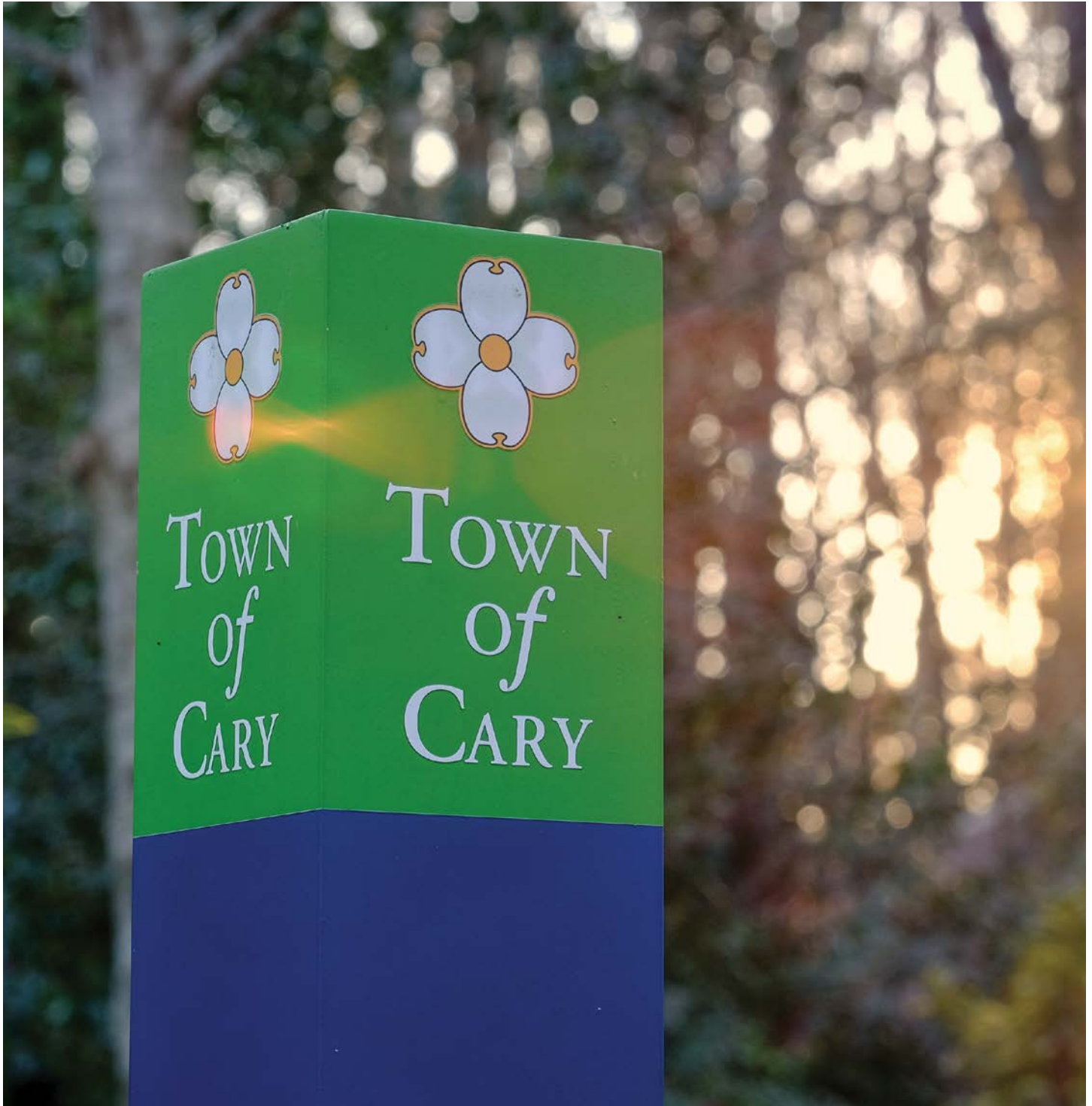
FENTON

In early August, the developer completed geotechnical work for the first phase of the Fenton project. Tree clearing began in mid-August, and erosion control activity is underway. Development plans for phase one were submitted and are under review—a process that will continue into early 2020.





PROVIDING TRANSPORTATION CHOICES





WHITE OAK CREEK GREENWAY PEDESTRIAN TUNNEL



After 18 days of continuous digging, there's light at the end of the tunnel for the White Oak Creek Greenway pedestrian culvert under the CSX railroad. The next step toward completion of the 102-foot tunnel is construction of concrete end walls. Meanwhile, work continues on the 916-foot concrete boardwalk, a 140-foot retaining wall near MacArthur Drive and trail grading in Davis Drive Park. When complete, this pedestrian connection will link Bond Park to the American Tobacco Trail.

TRANSPORTATION FEASIBILITY STUDIES



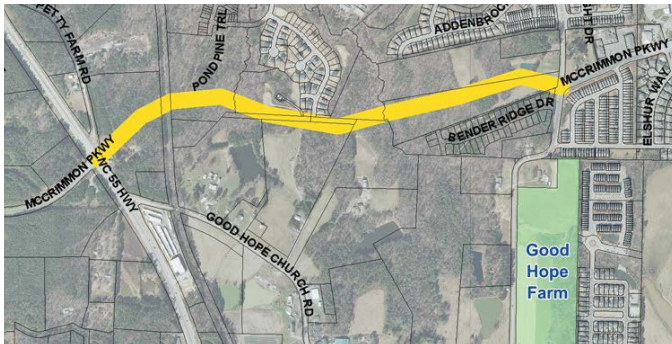
GREEN LEVEL CHURCH ROAD

The Green Level Historic District has experienced considerable change over the last decade in land ownership, residential development and new school construction. As a result of this growth and based on future traffic demand in the area, the Imagine Cary Community Plan recommended a future four-lane, median-divided street for Green Level Church Road through the historic district. Green Level Church Road is currently a rural two-lane road, and the purpose of the study, initiated in March 2018, was to explore and recommend context-sensitive design alternatives along this corridor.

Following data collection, traffic analysis and extensive public input through two well-attended public meetings, as well as targeted stakeholder meetings with the Green Level Baptist Church and a generational landowner in the study area, the concept plan recommends a modified four-lane typical section with a planted median through the historic district. Sidewalk and a street-side trail are proposed to complement narrower travel lanes in the corridor's limited right-of-way and accommodate bicycle and pedestrian mobility within the corridor itself, as well as providing critical connections to the White Oak Creek, Green Level and Batchelor Branch greenways. The proposed typical section is narrower than the standard section, and the concept plans explore rural plantings, signage recommendations, fencing and retaining wall materials to fit the unique historic context of the area. The proposed concept plan does not directly impact existing buildings. There is currently no funding for the design or construction of any street widening improvements.



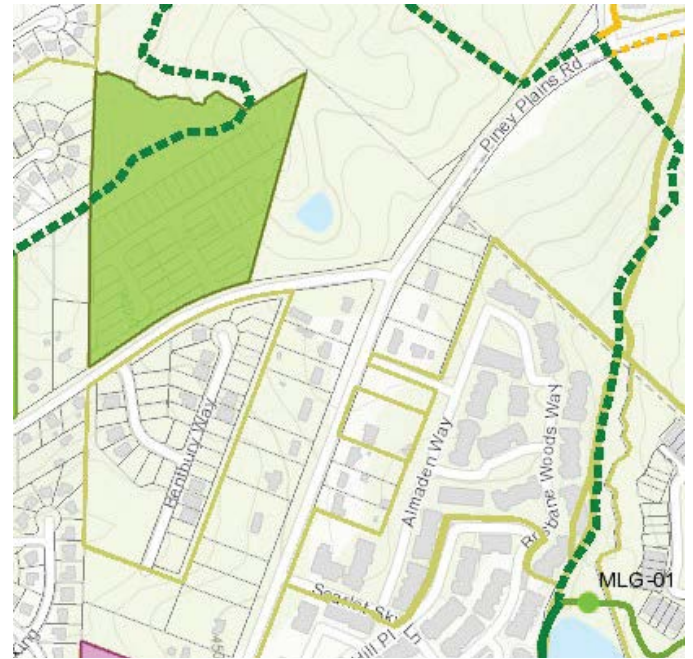
McCRIMMON PARKWAY



McCrimmon Parkway is an east-west thoroughfare extending from Yates Store Road in Cary to NC 54 in Morrisville. The street was built in phases so missing links remain, including a gap between NC 55 and Louis Stephens Drive. Western Cary has experienced significant growth with new residential developments, multiple schools and commercial shopping centers. The Imagine Cary Community Plan recommended a future four-lane, median-divided street for McCrimmon Parkway. The Town of Morrisville is currently constructing one of those missing links, extending McCrimmon Parkway from NC 54 to Aviation Parkway. This extension is expected to open in 2019.

Cary initiated the McCrimmon Parkway Feasibility Study in March 2018. Following data collection, traffic analysis and extensive public input, the concept plan recommends a four-lane typical street section with a planted median, wide outside lanes and sidewalk on both sides. This future approximately one-mile extension will cross the CSX tracks with a grade-separated crossing near Kit Creek Greenway. Completing the connection will reduce travel time for commuters, particularly during peak hours, and improve regional connectivity between Cary and Morrisville. There are no direct impacts to existing buildings as part of the proposed concept plan. There is currently no funding for the design or construction of any street extension improvements.

PINEY PLAINS CORRIDOR



Redevelopment and infill projects along its mature corridors provide an opportunity to evaluate the existing transportation network and how effectively it supports the Town's long-term land use vision. The Piney Plains corridor, from SE Cary Parkway to Dillard Drive, transitions from an existing three-lane street to a five-lane street as it continues north. Originally developed with single-family homes, each requiring driveway access onto Piney Plains Road, the corridor is experiencing a change in intensity to reflect denser residential uses.

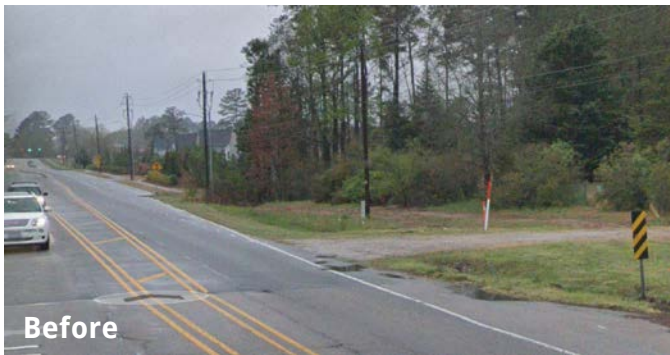
After initiating the Piney Plains Corridor Study in September 2018, conceptual plans were developed expanding bike and pedestrian facilities. In early 2019, staff learned NCDOT's Crossroads Junction projects (I-5701 and I-5703) may redirect one of the US 1/64 on/off ramp traffic at Walnut Street through the Piney Plains Road/Dillard Drive intersection. NCDOT's traffic study will evaluate the traffic impacts on Piney Plains Road; however, the Crossroads Junction project is temporarily paused due to NCDOT's cash flow issues but is expected to resume in early 2020. As a result, the Town's Piney Plains study is on hold until NCDOT's traffic study is available.



SIDEWALK CONSTRUCTION

Important sidewalk construction projects continue to move forward with the goal of improving pedestrian safety, providing new connections to schools and enhancing overall pedestrian connectivity.

The sidewalk segment along the north side of Old Apex Road just west of SW Cary Parkway was completed, improving connectivity to Laurel Park Elementary (shown below).



The sidewalk connection along the north side of E Chatham Street from the roundabout to Fire Station 1 is currently under construction.

Staff completed designs and scheduled bidding for three sidewalk connections: Ederlee Drive (Richelieu Drive southward to Penny Road and Penny Road Elementary), Penny Road (Kildaire Farm Road eastward to Crickentree Drive and Oak Grove Elementary) and Tryon Road (between the two intersections of Ashville Avenue). Construction for these three segments is scheduled to begin this winter.

Other sidewalk segments currently in the design phase that will provide connectivity and safe pedestrian mobility, as well as direct connections to schools, include:

- Louis Stephens Drive from High House Road to Green Hope Elementary School
- Byrum Street from Walker Street to Cary Elementary School
- Old Apex Road from SW Maynard Road to Cary Christian School

For the upcoming \$1.75 million FY20 Sidewalk Improvements Project, staff is evaluating sidewalk rankings to determine the highest priority sidewalk segments before beginning survey and design.

CARPENTER FIRE STATION ROAD WIDENING

Feedback from the local community and Cameron Pond residents helped staff develop preliminary construction plans and concepts that are now under review by NCDOT. Much of the feedback centered around increased bicycle and pedestrian connectivity and designs. Preliminary plans include:

- A 10-foot-wide, street-side trail on the south side of Carpenter Fire Station Road along the entire project length
- Two new traffic signals, including pedestrian signals and crosswalks, at Cameron Pond Drive and Highcroft Drive
- Wide outside lanes to support experienced bike riders

A second public workshop is planned for this fall. Right-of-way plans for the four-lane, median-divided thoroughfare are scheduled to be completed in summer 2020 with construction slated for fall 2021. Plans must be approved by NCDOT since Carpenter Fire Station Road is a state-maintained facility.



CARPENTER FIRE STATION ROAD BRIDGE AND INTERSECTION IMPROVEMENTS



Through collaboration with CSX Transportation, construction of the new railroad bridge will begin in the fall. The new bridge will support the existing CSX railroad tracks over a new east-west connector roadway east of NC 55. The new east-west roadway connector is also under construction and will tunnel under the railroad bridge, linking Carpenter Fire Station Road at NC 55 with Morrisville-Carpenter Road. The new east-west connector will serve as a major thoroughfare connecting western Cary with Morrisville, Research Triangle Park and the airport. The new road will also help Cary preserve the historic context of the Carpenter Crossroads as envisioned in the Imagine Cary Community Plan. Ongoing construction operations include storm drainage, earthwork, utility construction and erosion control. The project is approximately 35 percent complete and is expected to be finished in 2022.

LAPP PROJECTS

In response to a pending federal rescission and efforts by CAMPO to spend down funds, Cary successfully pursued additional funding for three street and greenway projects. An additional \$5 million in federal grants was approved for Higgins Greenway, White Oak Creek Greenway-MacArthur and the Reedy Creek Road widening. Cary's transportation funding strategy focuses on pursuing state and federal funding sources first with Town funds being used to leverage these sources and fill in the remaining transportation funding gaps.

PROJECT	PHASE	ADDITIONAL FUNDING
Higgins Greenway	Design	\$ 190,000
White Oak Creek Greenway-MacArthur	Construction	\$1,110,000
Reedy Creek Road widening	Construction	\$3,700,000





REEDY CREEK ROAD IMPROVEMENTS



As mentioned previously, CAMPO awarded Cary an additional \$3.7 million in Locally Administered Projects Program (LAPP) funding for Reedy Creek Road. Cary received several rounds of LAPP funding to help design and build a complete street serving motorists, cyclists and pedestrians. The total project cost is estimated at \$14.6 million, and Cary has received a total of \$9,449,629 in LAPP funding. NCDOT has provided right-of-way certification and construction authorization. The next step is working with private utility companies to address conflicts prior to construction, scheduled to begin in spring 2020.

WALKER STREET IMPROVEMENTS



Staff from multiple departments and the contractor continue to collaborate to deliver this important downtown project. Staff also continue to coordinate with the recent substantial completion of the 2019 Water Main Improvements Project on Walker Street from Byrum Street to Waldo Street. Work on the Walker Street Improvements Project began August 19 and is approximately 25 percent complete. The contractor has completed storm drainage and water line work along Walker Street between Waldo Street and Chatham Street. The contractor began coordinating with utility owners for utility relocation work, moving overhead electrical, telecommunications and fiber optic lines underground at the intersection with Chatham Street. The contractor plans to close the intersection of Chatham and Walker Street this winter to install storm drainage and new water lines and rehabilitate sewer lines. Coordination and communication will continue with business owners and churches adjacent to the project.



MORRISVILLE PARKWAY EXTENSION AND NC 540 INTERCHANGE



Construction of the Morrisville Parkway extension, connecting NC 55 to Green Level Church Road, is nearing completion. NCDOT, the NC Toll Authority (NCTA) and Cary collaborated and jointly funded this project to make a significant improvement to the transportation network. The extension is scheduled to be opened to traffic this fall.

Construction of the NC 540 interchange at Morrisville Parkway is also nearing completion but, due to NCTA requesting revised toll gantry locations, will not be open to traffic until early 2020. Revised toll gantries are in review, and installation is scheduled before the end of 2019. After the gantries are installed, the contractor will turn over the interchange to NCTA so they can complete the toll site integration before opening the interchange to traffic.

STREET IMPROVEMENTS PROJECT



The FY 2019 Street Improvements Project was bid in two phases. The first phase is substantially complete and included:

- 40,000 tons of asphalt
- 300,000 square yards of old pavement removal
- 1,400 feet of new curb and gutter
- 150 curb ramp upgrades
- 300,000 square yards of asphalt rejuvenator
- 50,000 feet of new pavement markings

The second phase is currently under construction, starting in the Cameron Pond neighborhood, and is expected to be completed before the end of the year.

During the summer, staff collaborated with Epic Games and NCDOT to provide pedestrian improvements along Dillard Drive and worked with the contractor to repair pavement along Carramore Avenue.

Plans for the FY 2020 Street Improvements Project are being developed, including updating any curb ramps within project limits that are non-compliant with current ADA standards. The Street Improvements Program is an important vehicle for providing curb ramps in accordance with the ADA Transition Plan, ensuring that the sidewalk network is accessible to all.



TRAFFIC SIGNALS



The installation of two traffic signals on Olde Weatherstone Way will be wrapping up in October with one signal already in operation. This signal is adjacent to Weatherstone Elementary School and will provide improved safety for turning vehicles, as well as signalized pedestrian crossings to help students and parents walk to and from school safely.

The new traffic signal at Cary Parkway and Olde Weatherstone Way is scheduled to be placed into flashing

operations in mid-October with full operations occurring prior to the end of the month.

As the Olde Weatherstone Way traffic signal projects near completion, work at Weston Parkway and Sheldon Drive/Weston Estates Way is just beginning. A new traffic signal with mast arm poles, a CCTV camera for remote monitoring and fiber optic cable connectivity to the Traffic Management System is planned for this intersection. While the design of this traffic signal will accommodate future pedestrian crosswalks and signals, it will not feature those items initially since there is currently no sidewalk at the intersection.

In addition to the Town signal projects, several other new traffic signals were installed and placed into operation during the first quarter: Davis Drive at Airport Boulevard, Davis Drive at Holly Creek Drive, Jenks Road at Roberts Road, McCrimmon Parkway at Airport Boulevard, Yates Store Road at Carpenter Fire Station Road, Green Level Church Road at Fussell Avenue/Cartecay Drive, and Davis Drive at Little Drive.



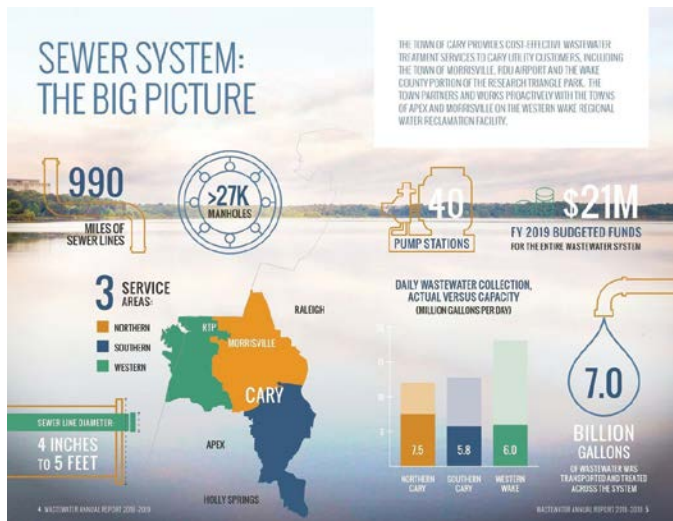


MEETING COMMUNITY NEEDS





ANNUAL WASTEWATER REPORT



Cary’s 2018–2019 Annual Wastewater Report was released electronically to citizens and wastewater utility customers in August. The annual report is created to keep citizens and customers informed of programs related to the operation, maintenance and performance of the wastewater collection and treatment systems. The annual report is also a regulatory requirement of Cary’s state-issued wastewater collection system and water reclamation facilities wastewater discharge permits. The Annual Wastewater Report is located on the Town’s website as well as in hard copy at Town Hall, community centers and local public libraries. During the 2018–2019 reporting period, there were no permit compliance violations at the water reclamation facilities. In addition, of the 7 billion gallons of wastewater conveyed and treated for the year, only 18,403 gallons escaped the system due to backups and overflows.

MAYNARD ROAD WATER TANK



Originally constructed in 1966, the Maynard Road Water Tank is the most iconic and recognizable tank in Cary. With a capacity of 500,000 gallons, this multi-leg water tank is also the smallest and longest-standing tank in the water system. Rehabilitation of this tank, completed in Q1, will extend its service life by approximately 20 years and help ensure adequate water storage in this redeveloping area. Rehabilitation included removing the existing coatings and applying fresh coats of paint to both the interior and exterior of the tank. Additionally, the interior and exterior ladders, the safety climbing systems and the altitude valve that measures the water level in the tank and controls the flow of water in and out of the tank were replaced, and the handrail along the catwalk of the bowl was repaired.



CARY COLLECTS APP



The *Cary Collects* app, an interactive communications tool customized for Cary's solid waste collections programs, launched on September 25. This innovative connection with citizens through a new web and mobile app is an environmentally-

friendly addition to collection program communications.

For 10 years, citizens have received blue or yellow recycling calendars, loose leaf collection schedules, maps and other information and program tips by mail. With *Cary Collects*, this information is available digitally. To help with the transition, the loose leaf schedule will be mailed to all households this year; printed recycling and solid waste schedules will be available on request.

Cary Collects allows citizens to:

- Search for an address to view or print a personalized collection calendar
- Sync to an iCal, Google or Outlook calendar
- Search for items in the Waste Wizard to determine the correct disposal method
- Sign up for collection day reminders and notifications via phone, email or the mobile app to receive service alerts when collections change due to holidays or inclement weather

In the first two weeks following the app launch, there were:

- 1,800 mobile app downloads, surpassing the anticipated 9-month benchmark of 1,400 downloads for similar-sized municipalities
- Address searches, currently at 5.5 percent of households, are trending to surpass the 6-month benchmark of 9 percent
- 4,500 Waste Wizard searches

These statistics reflect our tech-savvy community embracing their new digital tool. *Cary Collects* will continue to enhance communications by syncing our messages with citizen needs and providing valuable data as the solid waste programs evolve.

RECYCLING AGREEMENT

In April 2019, Cary secured a two-year agreement with Recycle America for processing and marketing recyclables collected curbside and from the Citizen's Convenience Center. Over the past few months, staff met with the Environmental Advisory Board and the Information Services Advisory Board to discuss recycling and the *Cary Collects* app. Interdepartmental staff came together several times to discuss recycling strategies and to participate in guided tours of the landfill and Recycle America's facility.

In conjunction with the recent addition of Cary's recycling tonnage, Recycle America decided to build a new Material Recovery Facility off Globe Road in Cary. This facility is scheduled to open in early 2021 with a blend of the newest technology and skilled manual sorters. This will be a more convenient and cost-effective location for Cary since it will be very close to Public Works.



TOP 50 GREEN FLEET



For the second consecutive year, the Town of Cary has been ranked #34 in the Top 50 Green Fleet Organizations in North America by *Tom Johnson's 100 Best Fleets*. This is an annual competition where government and commercial fleet operations showcase their efforts in creating more sustainable, environmentally-friendly fleets. Applications are judged on seven criteria: fleet equipment composition, fuel consumption, policy and planning, fleet utilization and maximization, technician education, executive and employee involvement, and supporting programs and technologies.

Fleet Manager Brandon Pasinski and Sustainability Manager Emily Barrett drafted the application, highlighting improvements as well as current and planned projects. Cary's fleet was specifically recognized for Council's Strategic Energy Action Plan, continued efforts to acquire optimal type and size vehicles based on operational needs, increased placement of electric and hybrid electric vehicles, and a predominant use of biodiesel fuel.

PRESTONWOOD GOLF COURSE SEWER REPAIR



During a regular cleaning and inspection of the sewer system at the Prestonwood County Club Golf Course, a section of 30-inch sewer line was identified with a serious deformation and was in danger of collapse. The problem was located on the golf course and underneath a creek, which presented unique challenges. Further complicating the repair was the October SAS Golf Championship. Staff quickly developed a plan with Prestonwood Country Club and worked with a utility contractor to repair the sewer line.

Temporary pumps and more than 3,600 feet of bypass piping were installed to re-route wastewater around the repair site. The creek was also diverted while 80 feet of sewer line was replaced, and a cured-in-place liner was installed to reinforce the sewer line. Special ground protection matting was installed on golf cart paths and fairways to minimize damage from heavy equipment. The sewer line repair was complete on August 30. Collaboration and coordination with Prestonwood County Club led to a fast and successful repair before a collapse could occur and in time to restore the turf before the SAS Golf Championship.



REGIONAL WATER RECLAMATION FACILITY CELEBRATES 5-YEAR ANNIVERSARY



After more than a decade of permitting, design and construction, the Western Wake Regional Water Reclamation Facility (WWRWRF) began operating on July 28, 2014 and started returning highly treated wastewater to the Cape Fear River on August 11, 2014. WWRWRF, affectionately known as “the Greatest Place on Earth” by staff, represents an excellent model of regional cooperation among the towns of Cary, Apex and Morrisville to ensure the future of wastewater treatment services to support economic growth and development in western Wake County. A \$255 million project, the facility and associated infrastructure, jointly owned by Cary and Apex, remains the largest capital endeavor that Cary has ever completed.

Designed and permitted for 18 million gallons per day (MGD) of advanced wastewater treatment, WWRWRF represents the culmination of decades of wastewater treatment experience. Key features include:

- Expandable to 30 MGD within the current footprint
- Class A and Exceptional Quality thermal biosolids drying process
- Site layout and design that protects the environment and buffers the plant from nearby homes
- Modern technologies to mitigate odor, noise and light
- Advanced wastewater process technology that consistently produces high-quality, treated wastewater to reclaimed water standards

Plant Manager Damon Forney and his staff have strived for excellence from the first day of operations, successfully transitioning from a construction project to a fully operational facility. At five years of operation, staff at WWRWRF were recognized with a Gold Award from the National Association of Clean Water Agencies and a Director’s Award from the American Water Works Association’s Partnership for Clean Water.

SWIFTWATER RESCUE TEAM DEPLOYED



As part of a state-wide network of storm response resources, Cary Fire Department’s swift water rescue team was deployed to the coast in advance of the arrival of Hurricane Dorian in early September. Staging key resources is crucial to providing safe responses to residents in need. The team, led by Captain Chad Thomason, was sent to the Otway Fire Department in Carteret County near Harker’s Island to support local emergency services agencies. The team worked with a NC National Guard unit on Cedar Island removing stranded victims and assessing damage.

TRACTOR-DRAWN FIRE TRUCK ARRIVES

The Fire Department was excited to welcome its first tractor-drawn aerial truck, or “tiller.” The tiller (pictured on page 13) will help accommodate trends toward closer housing, lower tree canopies and technical complications for larger trucks. Citizens will recognize them as the ladder trucks with drivers in the front and the rear of the truck.



RAPIDSOS

Beginning in July, the Emergency Communications Center (ECC) began using the RapidSOS portal to quickly access accurate caller location via online mapping and view real-time, device-based location of calls within our dispatching jurisdiction. The RapidSOS portal accesses information stored in the RapidSOS Clearinghouse that provides life-saving emergency data. The Emergency Communications Center strives to continuously implement technology tools to improve emergency response. The nation's 50-year-old legacy 911 infrastructure was designed for land lines and provides limited data to first responders. The RapidSOS portal provides invaluable information to call-takers and dispatchers as they work to quickly dispatch appropriate assistance.

POLICE ACCREDITATION

On August 1, 2019, the Commission on Accreditation for Law Enforcement Agencies (CALEA) Lead Assessor, Retired Deputy Chief Michael Webb, and Team Member Lieutenant Charles Groover, completed the on-site assessment for reaccreditation. Accreditation is a process by which police agencies are evaluated on compliance with over 400 standards in all areas of operations, support, and administrative processes.

A Compliance Service Member (CSM) reviewed PD files before the on-site assessment, and all standards were in compliance. The CSM commented that Cary's files were the best he had ever reviewed. The on-site assessment focused on day-to-day operations. Assessors spent three days evaluating the effectiveness of processes and outcomes associated with the standards specific to our policies. Assessors engaged in a variety of activities such as interviews with police, other staff, and members of the community and also made direct observations while attending specific program events. As part of the on-site assessment, agency employees and members of the

community were invited to offer comments at a public information session. There was also a call-in session for citizens who could not attend in person.

The onsite assessors were extremely complimentary of the department in the exit interview; both assessors stated they had assessed many departments across the United States and neither of them had seen a better department than in Cary.

Chief Toni Dezomits and Accreditation Manager Kathleen Sanfratello will attend the CALEA Hearings on November 15, the final step of the process, and will find out at that time if the department will receive reaccreditation.

POLICE CAMERAS

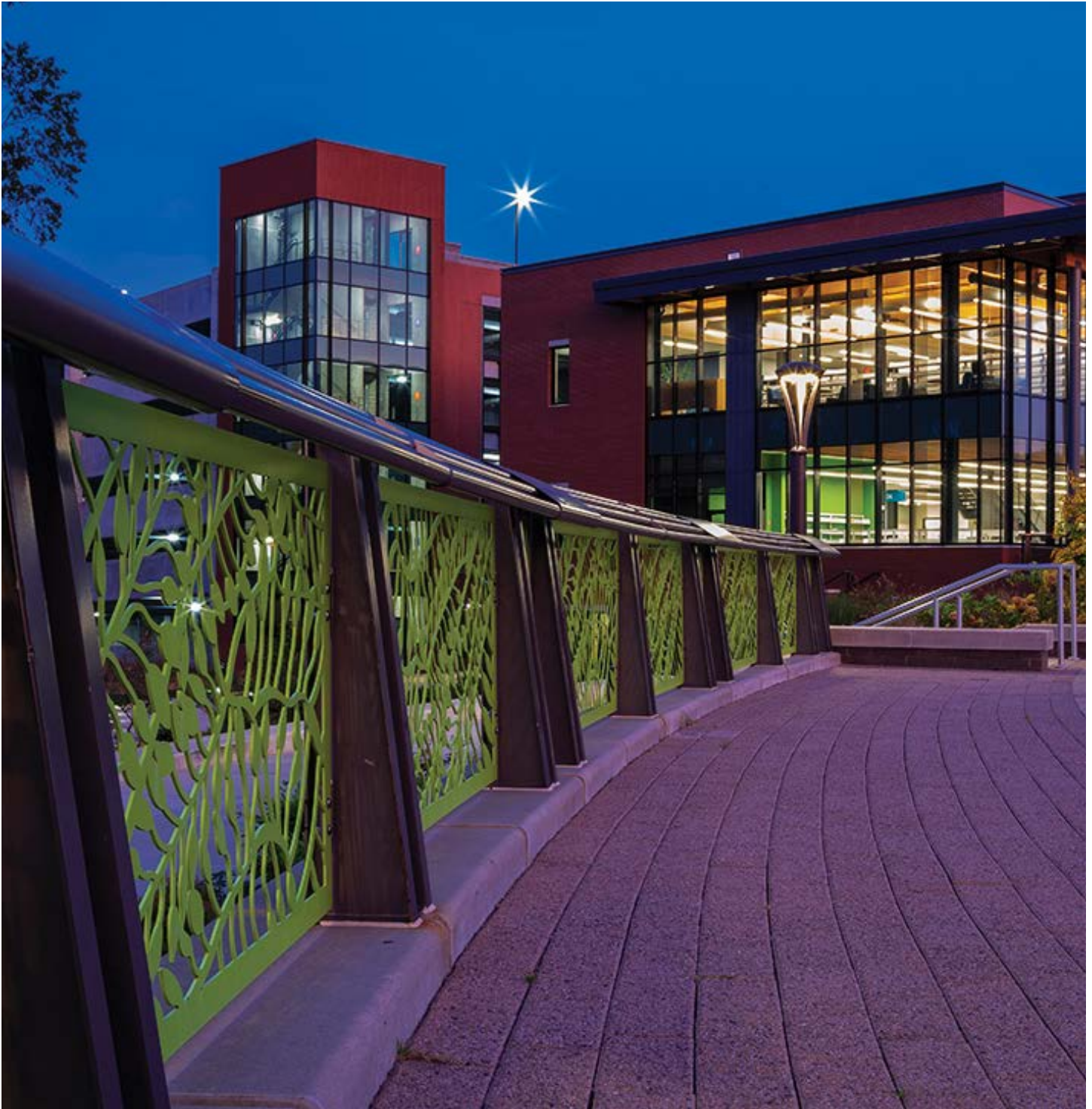
During this quarter, in-car cameras were installed in all designated police vehicles. Over 5,086 recordings were generated by the end of Q1.

Body-worn camera deployment began the first week of September, and although there were some system glitches early on, those technical issues were overcome quickly when the camera system vendor, WatchGuard, flew an engineer to Cary to assist, and the problems related to the camera system server and software were corrected.

Once deployment began, it became apparent that additional equipment was needed to ensure that police activities related to off-duty assignments could be recorded. As a result, an additional 40 body camera units, additional vehicle charging units and tactical uniform mounts for the Emergency Response Team will be purchased. With the 40 additional cameras, all sworn officers will be equipped with a body camera, thus preventing recording gaps that could result from unplanned police activities.



MOVING FROM VISION TO REALITY





311 ADVANCES TOWARD 2020 LAUNCH



Eleven employees have been selected to serve as Cary's first citizen advocates. These advocates represent six departments and have from six months to more than 21 years of experience with the Town of Cary. Advocates continue to cross-train in preparation to transition from a 311 project to 311 service, and departments are working closely with Human Resources to ensure the advocates' former departmental work is addressed.

As the advocates take more calls, they are working closely with the platform developers to create a streamlined process to intake phone calls and citizen reporting, including data quality/consistency/governance and ease of use. Constant iteration ensures building a system that makes the technology work best for its end users and, ultimately, our citizens.

In support of our advocates, integration teams are forming in departments across Town Hall. These 311 power users will shepherd cases within each department between the 311 Center and the appropriate subject matter expert. Additionally, IT is enhancing the appropriate telephony so that citizens can physically dial 311 starting in 2020. Training on cases and citizen engagement using Salesforce is expected to occur this fall as we work toward an internal soft launch of services in Q2.

GIS ASSESSMENT ENGAGES POWER USERS



The Research & Development group has been facilitating a GIS working group consisting of subject matter experts from various departments to assess and make recommendations for implementing GIS across the organization. On September 26, the GIS working group conducted two focus groups with staff from various departments to share progress and collect input on needed next steps. A key focus of the GIS working group has been the purposeful integration of Cary's GIS platform to support other platforms such as Cary's 311 (Salesforce) platform. Staff expressed a need to better visualize, question, analyze and interpret data, which can lead to a deeper understanding of relationships, patterns and trends that will aid in better decision making, efficient operations and more effective planning. A survey following each focus group will help dictate next steps in implementation.



CULTIVATING CARY'S CULTURE



ORGANIZATIONAL DEVELOPMENT

For the last six months, the newly-formed Organizational Development (OD) Team focused on establishing relationships and advancing the OneCary culture. Closely aligned with the Human Resources Department, the OD team provides coaching conversations to colleagues, offers fresh eyes to improving processes and systems, and helps to identify gaps to connect the dots across the organization.

Organizational development work supports our cultural value of focusing on the individual instead of systems. Self-awareness is paramount to a culture of authenticity. *Emergenetics* is a personality assessment tool that provides in-depth knowledge of the unique strengths of each individual. This tool helps us think about the work we accomplish in teams and how we are stronger through our differences. Recently, we have started using *Emergenetics* to host *Meeting of the Minds* workshops to gain a deeper understanding of ourselves, both individually and collectively.

The OD team is also committed to creating pathways for developing multi-faceted employees through a variety of professional development opportunities. For the fourth year, Cary has extended an opportunity to attend the ICMA Annual Conference to interested employees who submitted an essay explaining why they wanted to attend and what they hoped to gain from the experience. This year, Financial Strategy Manager Stacey Teachey, Sgt. Randy Byrd, and Deanna Hawkes of Public Safety, were chosen to attend the conference in Nashville in October.

As we work together to adapt to this ever-changing world, documenting our journey allows us to share successes and struggles across the organization. Our internal communications specialist shares stories of our cultural journey through case studies, Q&As and profiles. By chronicling what we are doing, we can learn from one another's work, experiences and experiments to keep what's great and improve what can be even greater.

TRAINING

Crucial Accountability training was reintroduced in August. Demand for the training was so high that additional training dates are being provided. As employees create OneCary connections throughout the organization, holding ourselves and others accountable continues to challenge us as we strive for excellence. Support and training for Crucial Conversations are key factors in helping people thrive in our culture.

RECRUITMENT

As the Signature Experience project team reimagines onboarding of new hires, many remarkable experiences created by this interdepartmental OneCary group continue to roll out. This summer, two electronic roadmaps for hiring managers and new employees streamlined a formerly cumbersome, all-paper process, created online workflows for multiple forms, and made our new colleagues feel welcomed as the best before they even arrived for Day One of employment.



SHARING OUR CATALOG JOURNEY



During the week of September 23, dozens of municipalities across the country hosted sessions on pressing issues or innovations within their agency as part of the ELGL (Emerging Local Government Leaders) Road Trip series. Danielle Mahoney and Carolyn Roman led a ninety-minute discussion on creating a single source of truth to make data-driven decisions. They spoke to fellow innovators from the public and private sector, with positions ranging from assistant town managers to business analysts, on what it takes to transform local government through a people-first approach. Using the Catalog as an example, the pair spoke to how this seed of an idea that once was just a list has led to a transformational shift in the organization. By empowering staff and encouraging the practice of leadership, the Catalog has helped to uncover the adaptive issues surrounding transparency, vulnerability and the courage to lead, helping Cary to make data-driven decisions on our quest to create the local government that doesn't exist.

TAKING CARE OF EMPLOYEES

HEALTH AND BENEFITS



The Town of Cary continuously strives to take care of employees, our most important resource, by addressing holistic health and supporting the well-being of all employees.

A key component to overall well-being is an understanding of the benefits that are available. As a result of employee feedback that indicated a desire for a printed benefits overview rather than information only accessible on CNET (the Town's intranet), a cross-departmental committee not only redesigned the Health & Benefits section of CNET but also developed the Town's first Health & Benefits Handbook in both electronic and booklet format.

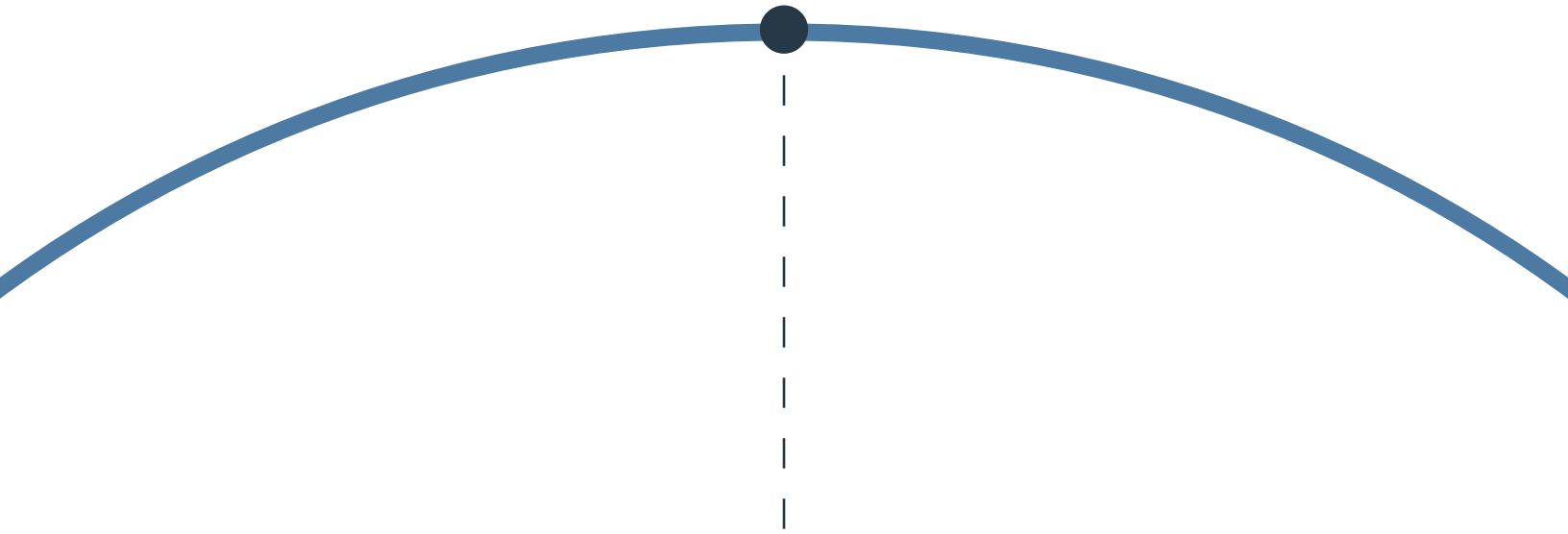
Prioritizing mental and emotional well-being is essential for taking care of one another, and the new Self-Care series focuses emotional energy to help improve coping skills, energy levels and the ability to create balance. Along with onsite meditation and chair massages, this well-received initiative will continue to be part of our wellness toolkit.

SAFETY

Following the "Moving Beyond the Active Shooter" training and site-specific drills, a Town-wide lockdown drill took place in July. The lockdown ensured employees across all facilities knew the most effective protocol for such situations, significantly increased the number of employees enrolled in the emergency text alert system and identified facility improvements and deficiencies. The Facility Safety Team and Employee Safety Coordinator are remedying identified issues to ensure the safety and security of all employees.



KEEPING CARY GREAT



TOWN of CARY

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