

***CITY OF FAYETTEVILLE, ARKANSAS
QUARTERLY MANAGEMENT REPORT
Third Quarter 2006***

MAYOR

Dan Coody

CITY COUNCIL

Robert Reynolds
Kyle Cook
Robert Rhoads
Shirley Lucas

Ward 1, Position 1
Ward 2, Position 1
Ward 3, Position 1
Ward 4, Position 1

Brenda Thiel
Vacant
Bobby Ferrell
Lioneld Jordan

Ward 1, Position 2
Ward 2, Position 2
Ward 3, Position 2
Ward 4, Position 2

ELECTED OFFICIALS

Kit Williams - City Attorney
Sondra Smith - City Clerk/Treasurer
Rudy Moore, Jr. - District Court Judge

DEPARTMENT DIRECTORS

Ray Boudreaux - Aviation and Economic Director
Tony Johnson - Fire Chief
Gary Dumas - Operations Director

Paul A. Becker - Finance Director
Greg Tabor - Police Chief
David Jurgens - Water & Wastewater Director

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CITY OF FAYETTEVILLE, ARKANSAS

CASH AND INVESTMENTS

September 30, 2006

Cash	\$	<u>2,279,991</u>
Investments Held by City	\$	68,396,461
Investments With Trustee:		
Fire Bond Debt Service		154,579
TIF Debt Service		58,033
TIF Redevelopment District Capital Bonds		213,522
Water and Sewer Bonds		1,366,862
Fire Construction Bonds		3,290,817
Wastewater Treatment Debt Service		7,502,741
Wastewater Treatment Capital Improvement Bonds		74,829,913
Town Center Bonds		604,945
Police Pension		10,090,079
Fire Pension		<u>8,690,245</u>
	\$	<u>175,198,197</u>
Cash & Investments 9/30/2006	\$	177,478,188
(1)Cash & Investments 12/31/2005		183,724,327
YTD Average Income Earnings on City-held Investments		4.61%

Note: These numbers are preliminary and subject to change.

(1) Adjusted to year end actual.

General Government Department

Dan Coody, Mayor

Management Agenda

- 1) Strong Diverse Local Economy
 - a) Airport 20 Year Master Plan Update: The final draft of the Master Plan was approved by the Airport Board and submitted to the FAA for approval.
- 2) Planned and Managed Growth
 - a) Attainable Housing Policy and Strategy: Staff completed a white paper on attainable housing policy and submitted it to City Council in July. Staff continues to work with developers and non-profit groups to develop a strategy for addressing the attainable housing shortage in Fayetteville.
- 3) Improved Mobility and Street Quality
 - a) Fayetteville Expressway Economic Development Corridor – Project Implementation and Funding: Van Scoyoc continues to strongly pursue additional federal dollars for this project, which is the City's top priority for federal earmarks.
- 4) Strong Partnership with the University of Arkansas
 - a) Technology Corridor Enhancement Project: Van Scoyoc continues to strongly pursue additional federal dollars for this project, which is the City's only joint request with the U of A this year for federal earmarks.
- 5) A Beautiful City – Clean and Green
 - a) Scully Creek Remediation – Funding: Van Scoyoc continues to strongly pursue additional federal dollars for this project, which is one of two requests for dollars out of the EPA agency area. The other request is a STAG grant request for sanitary sewer rehabilitation.
- 6) Service Improvements
 - a) Cable Television Franchise Agreement: In July, the Telecom Board unanimously decided to cease franchise negotiations with Cox Communications until Congress completes action on the Telecom Bill.
 - b) PEG Strategic Planning Process Including Upgrade of Cable-casting System: In August, the PEG Equipment Committee met and finalized the PEG Equipment Master Plan including price estimates for each component of the plan. This plan was presented to the Telecom Board with no action requested or taken. In September, the PEG Equipment Committee met and approved minor purchases, per priority of the master plan, including editing system upgrades for government channel editing bays.

Aviation & Economic Development

Fayetteville Municipal Airport, Drake Field, was selected Airport of the Year 2006 by the Arkansas Department of Aeronautics at the annual Arkansas Airport Operators Association Conference in Little Rock. The letter the Director of Arkansas Department of Aeronautics cited the "overall excellent management and operation by the City of Fayetteville in conjunction with all aviation business users" and "excellent communication between Airport Management, City/County Officials, FBO's, and aviation users" as the key to success for the Fayetteville Municipal Airport.

At the end of August, Fayetteville Municipal Airport, Drake Field, led all airports in Northwest Arkansas in annual operations to date and was second in the State only to Little Rock National. At the end of the quarter, the airport was the third busiest in the State behind Little Rock and Northwest Arkansas Regional. The decrease in operations can be attributed to several bad weather days during the month of September and was equal across the board. Both local flights and transient flights experienced a decrease of 500 operations or 17% decrease .

Fuel sales again broke 50,000 gallons for the month for the fourth time this year. Through only three quarters of the year, fuel sales have exceeded total sales for 2005 by more than 18,000 gallons. Million Air should exceed 500,000 gallons of fuel sold in 2006.

The USDA Forest Service conducted aircraft operations for the first time on the newly constructed Forest Service apron. They operated a P-2 Neptune fire bomber. The aircraft uses AVGAS as the primary fuel and Jet as a secondary fuel. The Tanker Base Manager reports as many as eight aircraft at one time, at one location, may be fighting fire. The apron is ready.

The airport hosted a grand opening celebration for the newly renovated lobby. Million Air provided food and Roger Woolsey presented his vision of the future for Million Air Fayetteville.

SkyVenture Aviation, Inc. had a ribbon cutting to celebrate the opening of a new first class flight school. SkyVenture offers basic flight instruction and instructor qualifications in both single and twin aircraft. The company is a Cessna Pilot Center and Sales agent for new Cessna aircraft.

The Ride-N-Boogie motorcycle event was conducted on the new West Side General Aviation Apron the last two days of the quarter in conjunction with Bikes, Blues, and Bar-B-Q. The Airport leased the space to the promoter for a flat fee.

AATC has moved its operation to the Regional Technology Center (RTC) campus, the former site of the Fayetteville High School's West Campus. The school was scheduled to vacate the building on the airport by the end of September. This was delayed until the end of the first week of October at which time a final inspection will be performed. The building will be difficult to reuse as there is a two story classroom built inside the hangar. Potential reuse options will be explored.

The Little Rock FAA/FSDO held a Safety Seminar at the Airport Terminal from 7:00 p.m. until 9:00 p.m. September 18. It is the first such event at the airport in more than five years. The FAA was surprised by the turnout of more than 50 pilots and interested individuals. The event was sponsored by the Airport and SkyVenture Aviation. Another safety meeting has been scheduled at Drake Field for November of this year.

The State of Arkansas published the State Airport System Plan 2006 which stated the economic impact of Drake Field to be \$34,043,600 each year. The total impact of all general aviation airports in the state was reported as \$494,459,900 each year.

The FAA will begin the installation of the Runway 34 PAPI. The PAPI is a pilot approach aid that uses lights to indicate to the pilot whether or not the aircraft is on the proper glide angle to the runway. The lights turn red if the aircraft is low on the glide path and white if the aircraft is high. On glide path the lights are red and white. The south end of the airport has never had a pilot landing aid.

The annual FAA Part 139 inspection was conducted by the Southwest Region of the FAA in Ft. Worth. There was one reportable item involving live fire training for the fire fighters that would be responding to commercial aircraft with more than 30 passenger seats. The new Part 139 requires even Class IV airports to conduct live fire training annually. The Fire Department has scheduled the training for mid November in Ft. Smith.

The State Department of Aeronautics approved the second hangar grant request so the money is in place to construct the two corporate hangars on the new West Side General Aviation Apron. Other parties are also negotiating to build three additional hangars on the apron. There may be five hangars under construction by the first of the year 2007.

Staff continued to work with FEDC with a prospect for the Industrial Park. A fourth visit is scheduled.

Staff is still working on the Economic Development Data project with the U of A and the FEDC. Contract negotiations continue.

Staff participated in the Citizens 4 Fayetteville campaign to inform the electorate on the value of the bond issue to support the wastewater system and transportation improvements.

Staff has received an application to purchase Parcel 20W by Mayflower Moving and Storage. Staff is working the sale through the process.

City Attorney

Garnishment Actions – The Assistant City Attorney filed no responses, answers to interrogatories or other pleadings in garnishment actions.

Bankruptcy – The City Attorney's Office filed no Proofs of Claim in bankruptcies involving the City.

John LaTour v. City of Fayetteville, et. al. – United States District Court # 02-5001. Mr. LaTour sued the City, the City Attorney, the City Prosecutor, the Assistant City Prosecutor, one of the Planning Commission members, and a City Sign Inspector for enforcing the sign ordinance and prosecuting Mr. LaTour. The Court dismissed all personal liability claims and the ten million dollar claim for punitive damages as well as Mr. LaTour's claim that he was discriminated against. Mr. LaTour appealed to the Eighth Circuit Court of Appeals. The Eighth Circuit affirmed the City's victory and denied Mr. LaTour's request for a rehearing. Mr. LaTour has begun the steps to request certiorari to the U.S. Supreme Court.

Raymond Setzke v. Fayetteville Officer Jeremy Grammar, Chief Frank Johnson, Washington County Sheriff Whitmill, et. al., Civil No. 04-5046 Eighth Circuit Court of Appeals – After this case was dismissed by the Federal Judge, Mr. Setzke was allowed to appeal pro se without paying any filing fee to the Eighth Circuit. The City will continue to defend this case.

City of Fayetteville v. Washington County Assessor, Washington County, Fayetteville School District, Fayetteville Public Library, et. al., Washington County Circuit Court Case No. CV 05-559-2 – The City Council authorized the City Attorney to file a Declaratory Judgment suit in order to clarify the law concerning how the tax increment should be distributed by the Assessor after the formation of the Highway 71 East Square Redevelopment District No. 1. This TIF district's project is the acquisition and demolition of the blighted area involving the Mountain Inn, Court's Building, old Niblock Law Firm and Red Bird Cafe, as well as sidewalk and crosswalk improvements throughout the district.

The Trust Indenture approved by the City Council requires the City to seek the maximum amount of tax increment allowed by law to pay off the TIF bonds which will fund the project.

Following a bench trial, the Circuit Judge ruled that the amounts used for funding the Redevelopment Bonds as certified by the County Assessor were correct. Although this amount should be sufficient to fully pay the TIF bonds, the Trust Indenture requires the City to seek additional millage increment and so an appeal to the Arkansas Supreme Court is necessary. The City Attorney filed a Notice of Appeal and filed the Record in the Arkansas Supreme Court. The City Attorney filed the City of Fayetteville's Appellant Abstract, Addendum and Brief. Oral argument has been granted.

Jeanny Romine v. City of Fayetteville, Washington County Circuit Court Case No. CV 05-1221-4 – Ms. Romine sued the City for Inverse Condemnation on June 10, 2005 because of what the City believes is a private sewer line (but what Ms. Romine alleges is a city sewer main) caused sewer overflow onto her property. The City had offered to build a city sewer main across her property in 1998 to fix this problem, but Ms. Romine refused to give access by a sewer easement for this project. Ms. Romine is demanding not less than \$250,000 even though the property tax appraisal of her property is \$93,500.

The City Attorney has answered and denied liability. Discovery and deposition of the plaintiff have been accomplished. Two months before the scheduled trial, Ms. Romine sued her neighbors and alleged new grounds against the City, so the City filed a Motion For Continuance which was granted. Ms. Romine has recently filed her Third Amended Complaint.

Fuller v. City – This is another pro se inmate case who claims he was not treated well when he initially wore a wire for the police, but later tipped off the suspect. He was sent to prison for other reasons. We have filed an Answer and a Motion For Summary Judgment. The Magistrate Judge filed her report recommending that our Motion For Summary Judgment be granted. The District Judge granted our Motion and awarded a judgment to the City.

Bozarth v. City of Fayetteville – CV 2005-2749-2 – The Assistant City Attorney filed an Entry of Appearance in this appeal of the Board of Adjustment's denial of setback variances for an unpermitted carport. Some discovery has been completed.

City of Fayetteville v. Commonwealth-Ghosen Theatre Corp. – CV 2006-987-2 – This is one of only two condemnations the City of Fayetteville had to file in order to obtain easements for new sewer lines required for the Wastewater System Improvement Project. The Assistant City Attorney has filed a Motion for Possession and a Motion To Dismiss Defendant's Counterclaim, which were both granted by the Court.

City of Fayetteville v. Heylinger – CV 2006-990-4 – This is the other condemnation action necessary to complete the Wastewater System Improvement Project. The Assistant City Attorney is still working on a possible settlement of this case.

Howell v. Fayetteville Police Officer Lee, et al. – CV 06-195-4 – Mr. Howell was arrested for domestic battery and terroristic threatening by Officer Lee after a 9-1-1 call from Susan Howell. Probable cause was found by Judge Ray Reynolds during a hearing two days later. Mr. Howell claimed he was arrested without probable cause. The City, by insurance lawyer Randy P. Murphy, filed an Answer and Motion To Dismiss. The City Attorney obtained affidavits from the officers and 9-1-1 operator and a transcript of Mr. Howell's Rule 8.1 hearing for use in a Motion For Summary Judgment if necessary. The Court dismissed Mr. Howard's claims.

Wanbaugh v. Fayetteville Police Officers Fields and Faught – Civil No. 05-5214 – Mr. Wanbaugh refused to submit to an arrest on a felony warrant for probation violation. A tazer had to be repeatedly deployed in an attempt to gain control of Mr. Wanbaugh, handcuff him and get him into the police car. Mr. Wanbaugh has pleaded guilty to felony battery for injuring the police officers he is now suing. The City has filed a Motion For Summary Judgment.

Tony Catroppa, et al. v. City of Fayetteville – CIV 2006-885-4 – Four restaurant/bar owners sued the City of Fayetteville in an effort to enjoin the City from changing how it has enforced the smoking ordinance. The City agreed to a Consent Order Granting a Preliminary Injunction During Pendency of the case to avoid possibly incurring large damages which were reduced by agreement in an Amended Petition. This case is pending.

Shirkey v. City of Fayetteville – CV 2006-1687-1 – A neighbor and another person have sought to appeal the City Council's approval of the Large Scale Development of Divinity Hotel and Condos. The City has filed a Motion To Dismiss alleging lack of standing and failure to join a necessary party, the developer/owner of Divinity Hotels and Condo property. If the appellants survive the City's standing challenge, the law requires a trial de novo to determine if the LSD should be granted.

Library

In this time period, the use of library materials grew by 12% from 211,034 items checked out in 2005 to 236,525 items checked out in 2006. Self-checks remained steady at about 60% of all items checked out. This will increase when staff is able to implement self pick-up holds, automated fine payments, etc.

As a result of Wal-Mart and other sponsorships, including media support of the Summer Reading Club, attendance at programs increased 59% over 2005—from 8,578 to 13,667 participants. Teen participation grew the fastest, followed by elementary, and then preschool. Children and teens participating in the Independent Reading program grew by 9%.

Launched collection agency function and 250 accounts were submitted.

Launched new e-content services including downloadable audio-books (now with 325 subscribers) with funding from the Friends of the FPL.

Launched online library card self-registration with identity verification occurring during the first visit.

Hosted several V.I.P. tours: (1) Senator Hillary Rodham Clinton; (2) a group of Egyptian librarians under the auspices of the U.S. State Department; and (3) Mrs. Mike Beebe.

Bank of Fayetteville pledged support for three remote book drops to be stationed at bank locations. A vehicle and funding for a ¼ time driver and mileage is still needed.

The Library's Strategic Plan moved forward with several public input meetings, presentations to the Council of Neighborhoods and the City Council, and continued staff input. As a result, significant changes were made to strengthen the plan in preparation for Library Board approval in October.

Hosted Dr. Randall Woods talk and book signing for his new acclaimed work **LBJ: Architect of American Ambition** with 200 attendees.

Partnered with University of Arkansas to host the first public talk in the Difficult Dialogues series on religious plurality with Dr. Les Kurtz on the life of Gandhi.

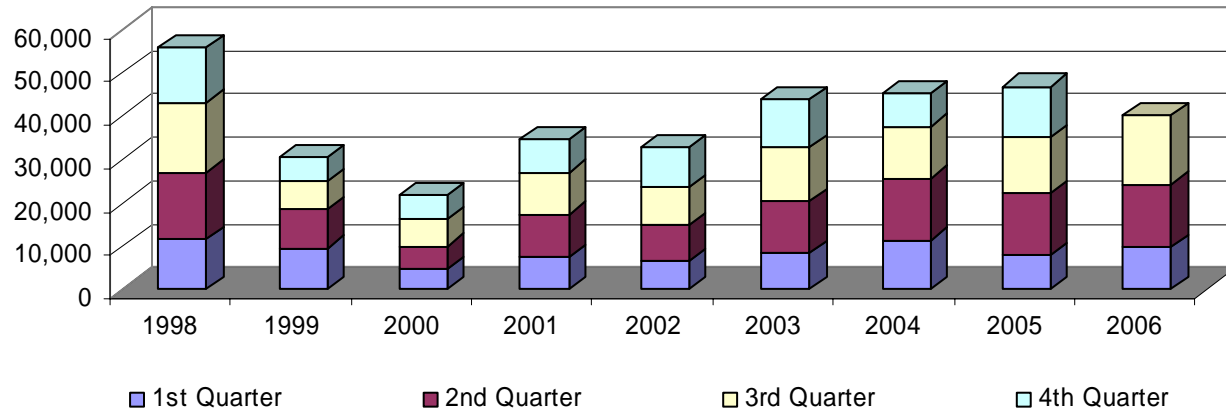
Partnered with various organizations on outreach efforts, e.g. Presented a market research program in conjunction with the Small Business Development Center.

Received notice of approval for a Community Development Block Grant for a 2007 program entitled "The More You Know: Life Skills for At-Risk Teens."

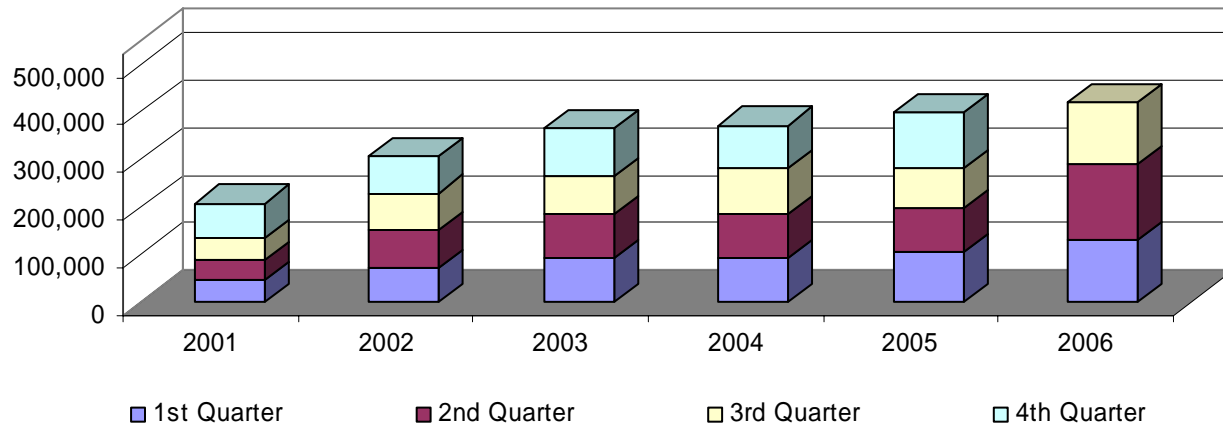
Received a \$7,200 grant from the Bill and Melinda Gates Foundation to purchase laptops for check out and use within the Library with the primarily intent for young adults, but not exclusively.

Aviation & Economic Development Division

Quarterly Comparisons of Aircraft Operations Counted by Tower

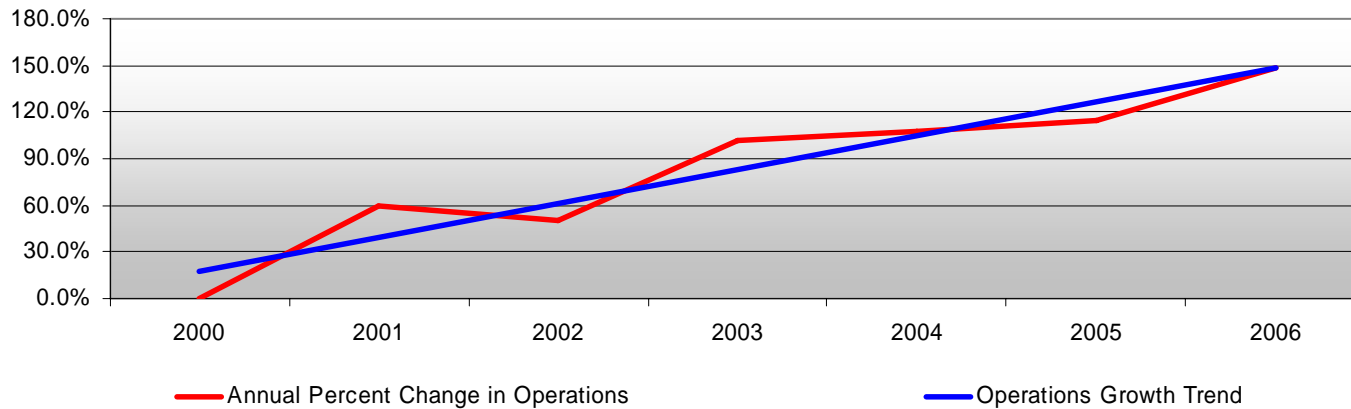


Quarterly Comparison - Fuel Sales Volume



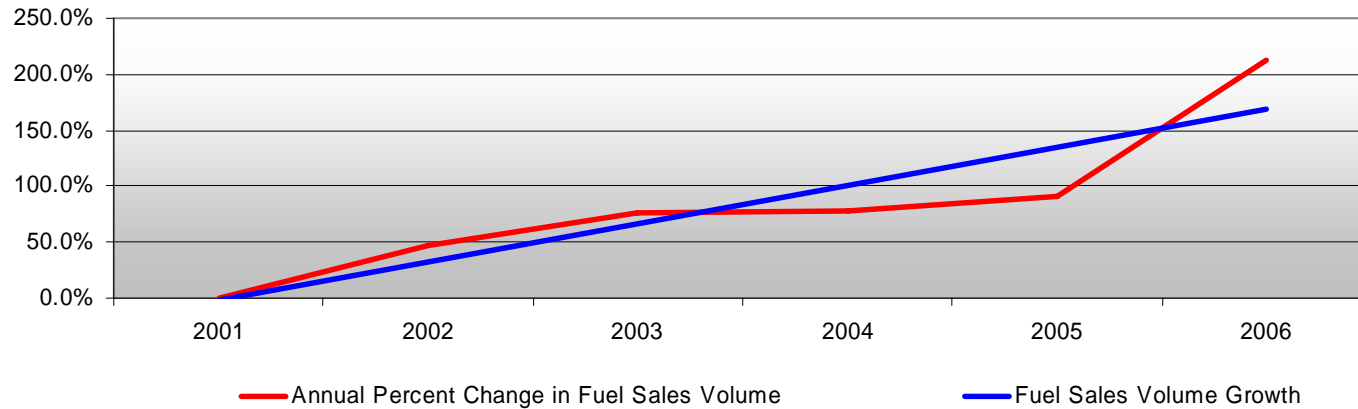
Aviation & Economic Development Division

Annual Percent Change in Aircraft Operations* - Base Year 2000



*A takeoff, landing, or control tower contact passing through Fayetteville airspace during tower operating hours.

Annual Percent Change in Fuel Sales Volume - Base Year 2001



The City took over aircraft fueling services August 1, 2001. Sales volume data is averaged for January through July 2001.

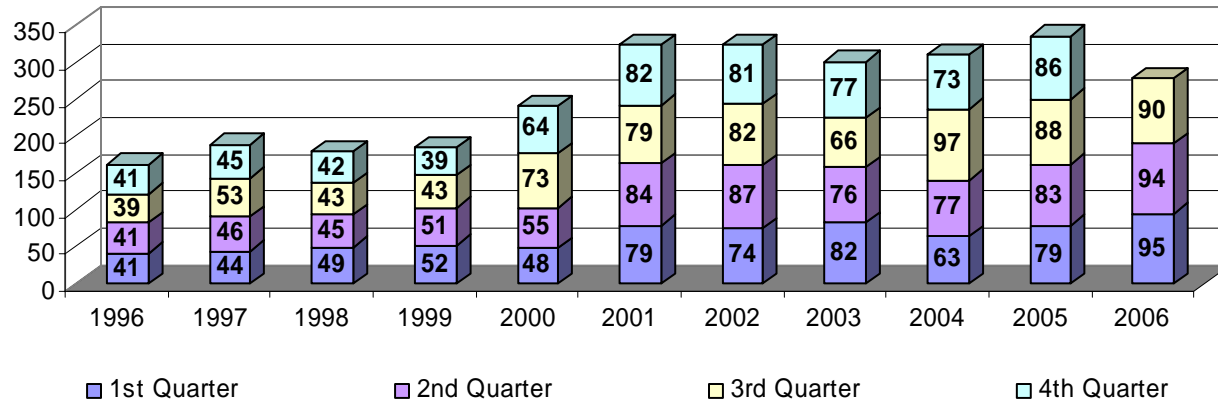
Cable Administration Division

Government Channel Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Hrs. Equip. Used by Public & Staff	20,465	22,500	27,422
City Video Tapes Duplicated	527	525	1,006
Total Cable Cast Hours	1,908	1,875	2,230
New Government Meetings Taped/Hours	250/404	243/375	279/449
New Government Info Videos Produced/Hrs.	191/111	162/105	175/99
New Program Hrs. Produced - Meetings/Info	404/111	375/105	449/99
Messages Entered on Board	877	750	543

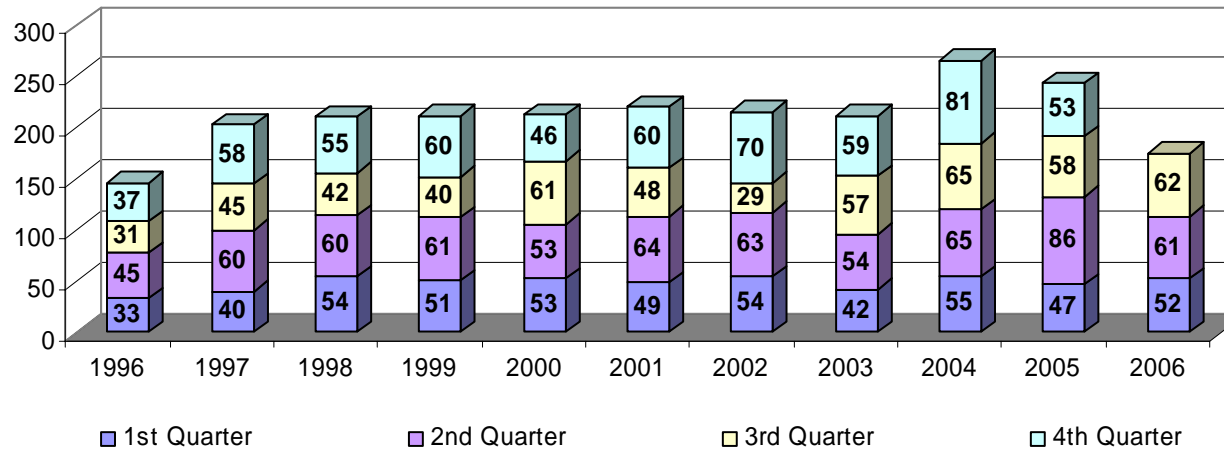
Community Access Television Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Video Workshops	55	68	147
Total Cable Cast Hours	4,827	4,500	4,800
Workshop Participants	154	150	336
First Time Producers	12	30	31
New - Local Programs/Hours	322/270	375/261	330/286
Bulletin Board Messages	234	300	305

Cable Administration Division

Fayetteville Government Channel Televised Meetings

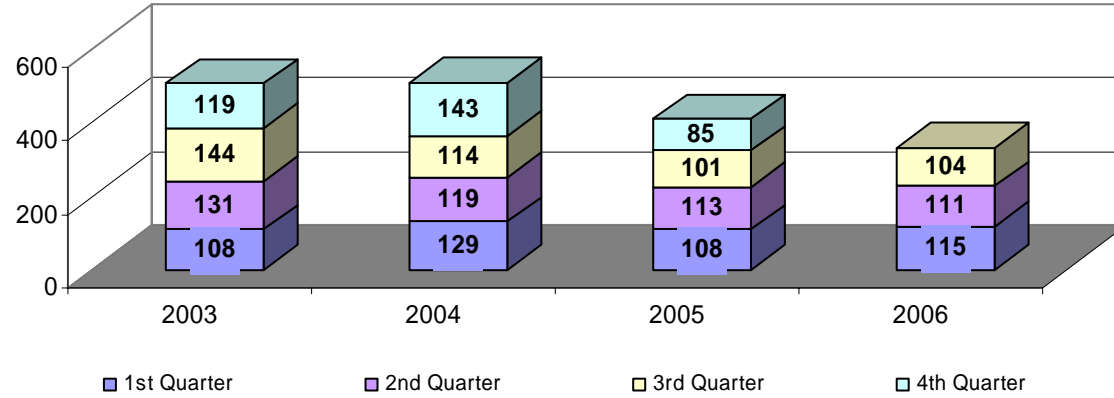


Fayetteville Government Channel Informational Programs

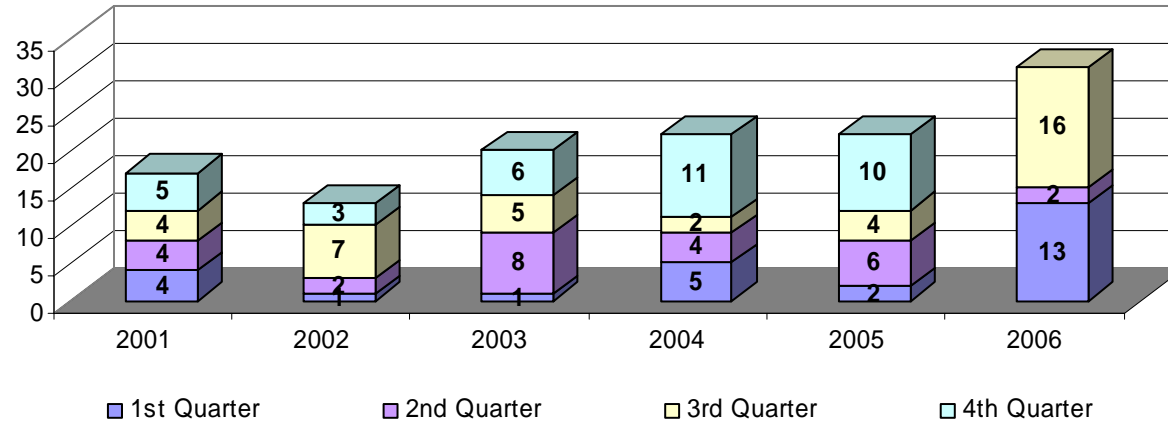


Cable Administration Division

Community Access Television New Programs



Community Access Television First Time Producers



City Clerk Division

City Clerk Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Meetings Attended	170	173	252
Agendas Prepared	56	53	57
Minutes - Council & Boards	35	33	38
Ordinances & Resolutions Passed/Processed	300	270	277
Committee Vacancies/Applicants	64 / 55	57 / 63	63 / 38
Meeting Rooms Requested/Scheduled	930	938	907
Elections Coordinated	0	2	2
Permanent Record Retention	120,451	375,000	269,298
Policy & Procedure Changes	0	8	5
Sets of Minutes with Errors of Fact	0	1	0
Code of Ordinances Updated	n	15	23

City Prosecutor Division

City Prosecutor Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Complaints	583	525	502
Circuit Court Cases	18	15	33
Trials - District & Circuit	24	18	20
District Court Cases:			
Warrant Charges	308	300	223
Non-warrant Charges	5,850	6,750	6,513
DWI's	1,079	1,200	908
Carrying Certain Weapons	7	12	42
Domestic Batteries	174	200	227
Battery Charges	35	39	12
% of Convictions:			
Warrant Charges	85	88	85
Non-warrant Charges	95	90	94
DWI's	96	97	96
Carrying Certain Weapons	100	100	85
Domestic Batteries	85	90	84
Battery Charges	88	95	100
Hot Check Program:			
Checks Brought In	4,492	3,750	2,719
Cases Prepared for Trial	1,926	1,875	1,277
Checks Paid Off/Cleared	3,893	3,500	3,259
Checks Submitted for Collection	245,550	225,000	99,114
% of Cases Settled	63%	80%	65%

City Prosecutor Division

Hot Check Program Revenue	Actual Year-to-Date 2005	Actual Year-to-Date 2006
% of Hot Checks Collected	86%	119%
Received for Prosecutor Fees	\$40,669	\$23,010
Received for Checks	\$233,041	\$133,363
Fines & Court Costs Collected on Hot Checks	\$103,765	\$66,547
Warrant Fees Collected	\$15,471	\$7,798
Total Revenue Collected on Hot Checks	\$392,946	\$230,718

Complaint Results	Actual Year-to-Date 2005	Actual Year-to-Date 2006
Mediated/Warning Letter/Closed	371	314
Prosecutor Subpoena	257	188
Warrants Filed	234	141
Motions to Revoke Filed	46	13

District Court Division

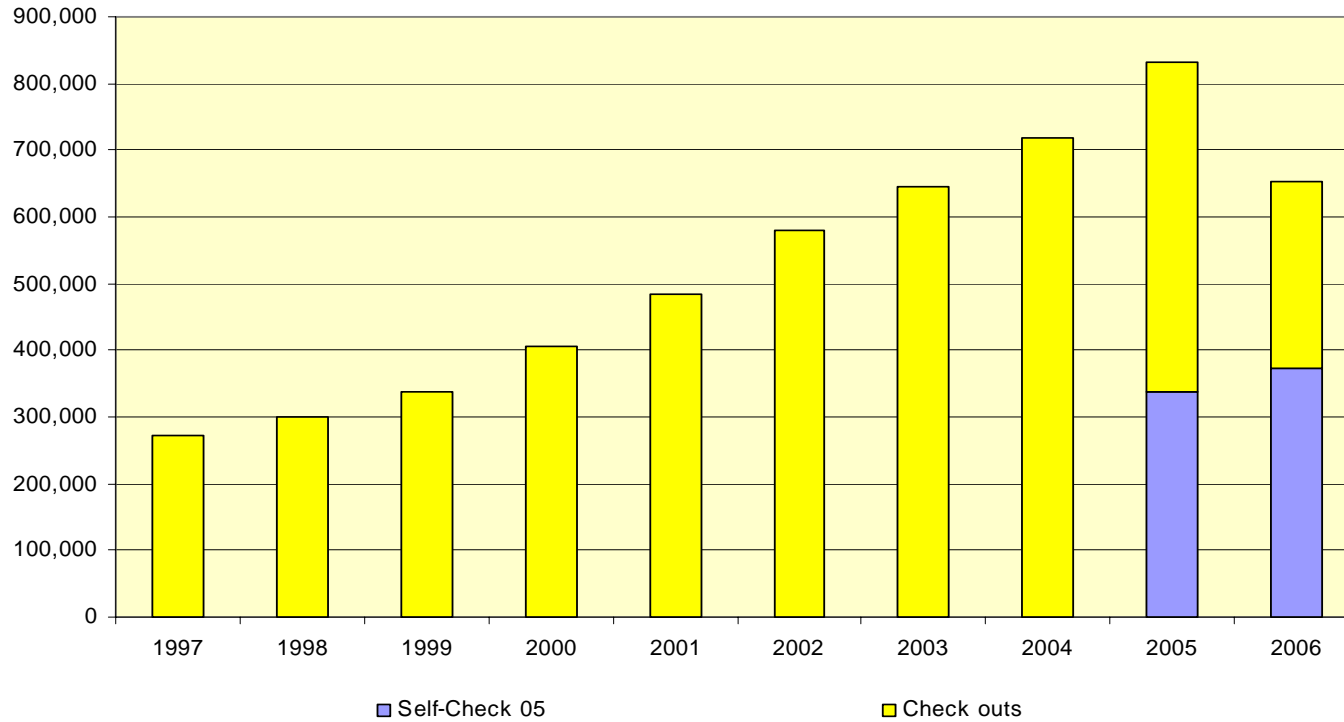
District Court Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Criminal Cases:			
Cases Filed	11,463	13,250	12,487
Criminal Trial Settings	6,628	5,100	4,800
Cases Adjudicated	7,114	8,350	9,105
Fines and Fees Assessed	\$ 1,453,550	\$ 1,460,050	\$ 1,547,985
Fines and Fees Collected	\$ 1,170,876	\$ 1,225,000	\$ 1,355,723
% of Assessments Collected	81%	83%	87%
Warrant Backlog (# of Affidavits)	0	0	0
Trial Docket Backlog (Outside 90 Days)	0	0	0
General Fund Revenue	\$ 737,581	\$ 875,000	\$ 797,611
Probation & Fine Collections:			
Divisions Requesting Public Service (PS)	6	6	6
Interviews Conducted	406	300	399
Divisions Assigned Public Service	7	6	6
Persons Assigned to Public Service	243	274	69
Hours of Public Service Assigned	12,618	1,250	2,143
Fines/Costs Assessed	\$ 1,453,550	\$ 1,460,050	\$ 1,547,985
Hours of Public Service Completed	13,203	6,500	1,574
Fines/Costs Collected	\$ 1,170,876	\$ 1,225,000	\$ 1,355,723
Amount of Fines/Costs Worked Off	\$ 97,538	\$ 43,750	\$ 14,496
Small Claims & Civil Cases:			
Cases Filed	941	1,024	897
Court Session/Week (Hours)	10	10	8
Cases Set for Hearing/Week	40	40	25
% of Cases Processed within 2 Days	100%	100%	100%
General Fund Revenue	\$ 37,419	\$ 40,875	\$ 46,470

Internal Audit Division

Internal Audit Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Annual Audit Plan Prepared	N/A	1	1
Performance Audits Completed	1	2	-
Review of City Areas	2	2	2
Special Projects	7	6	13
Audit Committee Meetings Facilitated	3	3	3
Management Control Deficiencies Identified	18	15	18
% of Completed Audit Reports Resulting in Recommendations for Improved Productivity, Cost Savings or Increased Internal Control	100%	100%	100%
% of Requests for Assistance in Developing/Enhancing System Controls and Procedures which are Responded to and for which a Work Plan is Developed	100%	100%	100%
% of Annual Audit Plan Completed	N/A	56%	60%

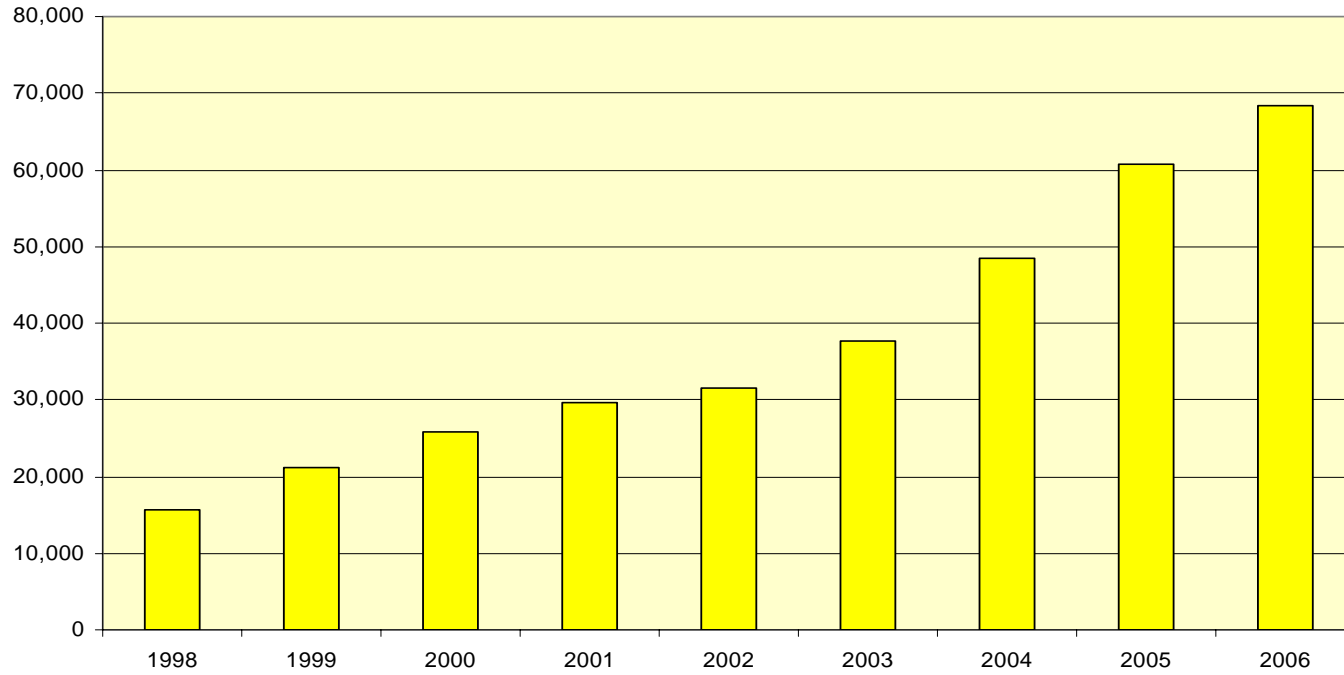
Library Division

Library Check Outs Year-end 1997-2005 Compared to Third Quarter 2006



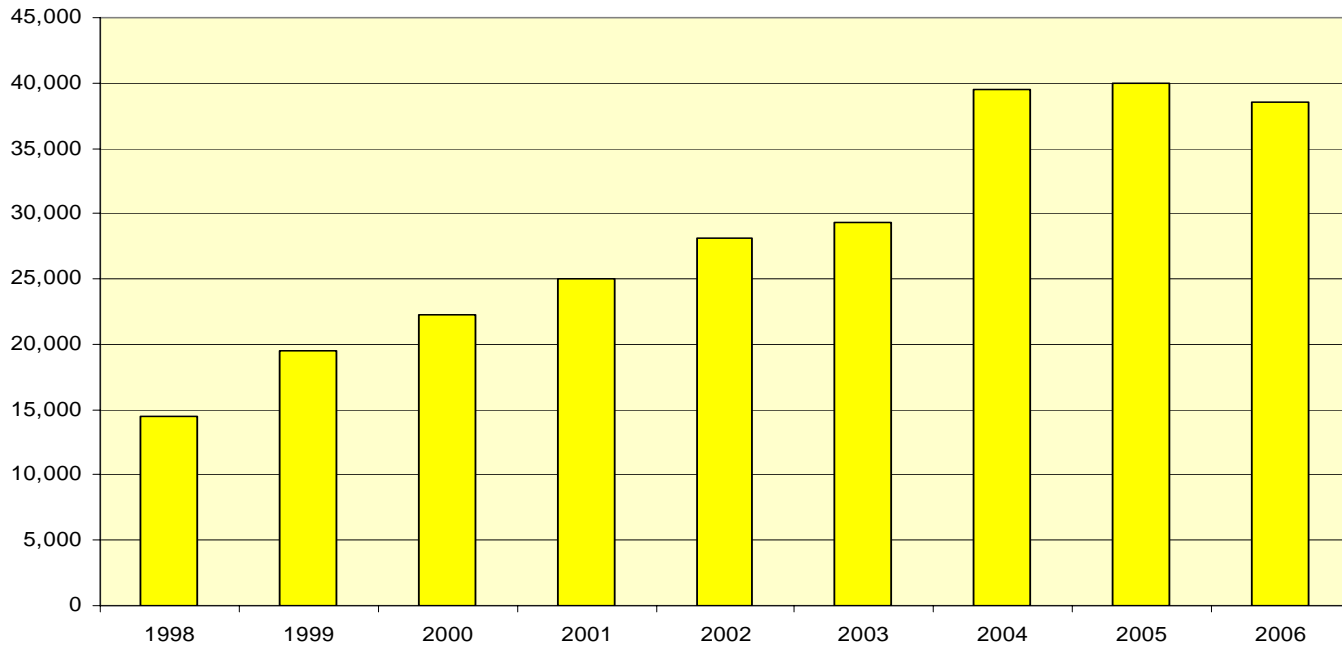
Library Division

Library Card Holders Year-end 1998-2005 Compared to Third Quarter 2006



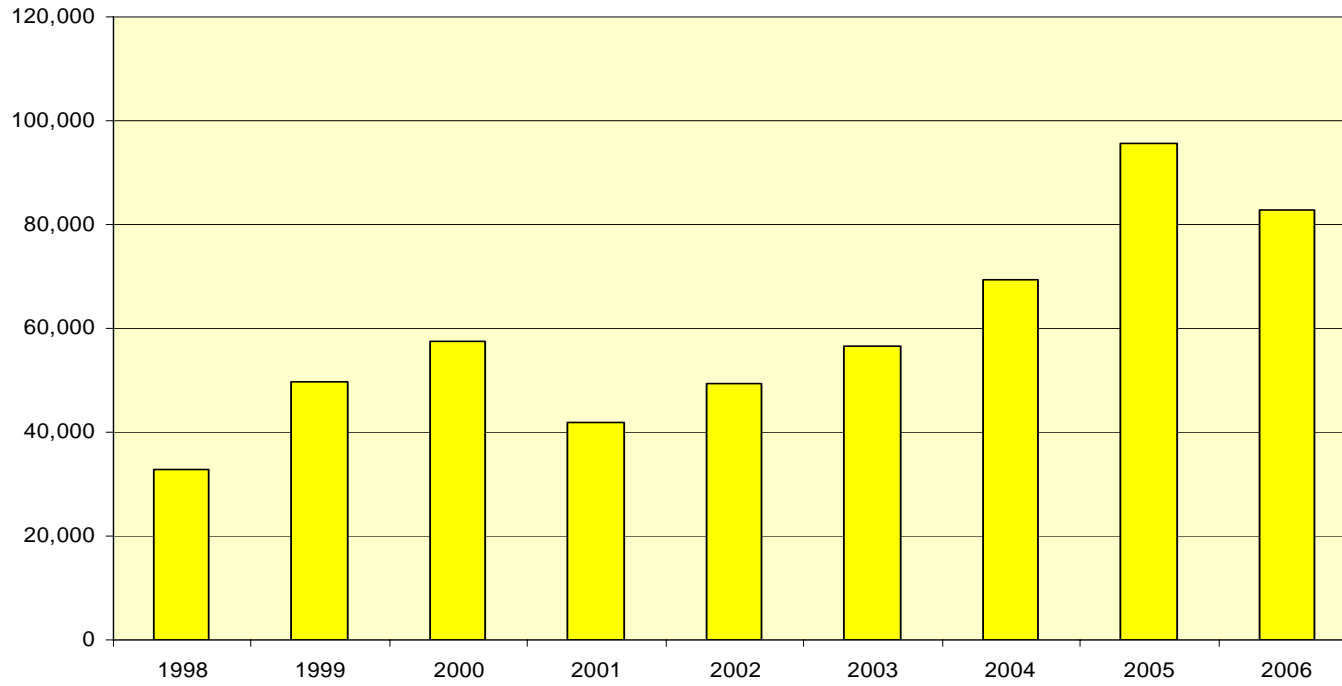
Library Division

**Library Program Attendees Year-end 1998-2005
Compared to Third Quarter 2006**



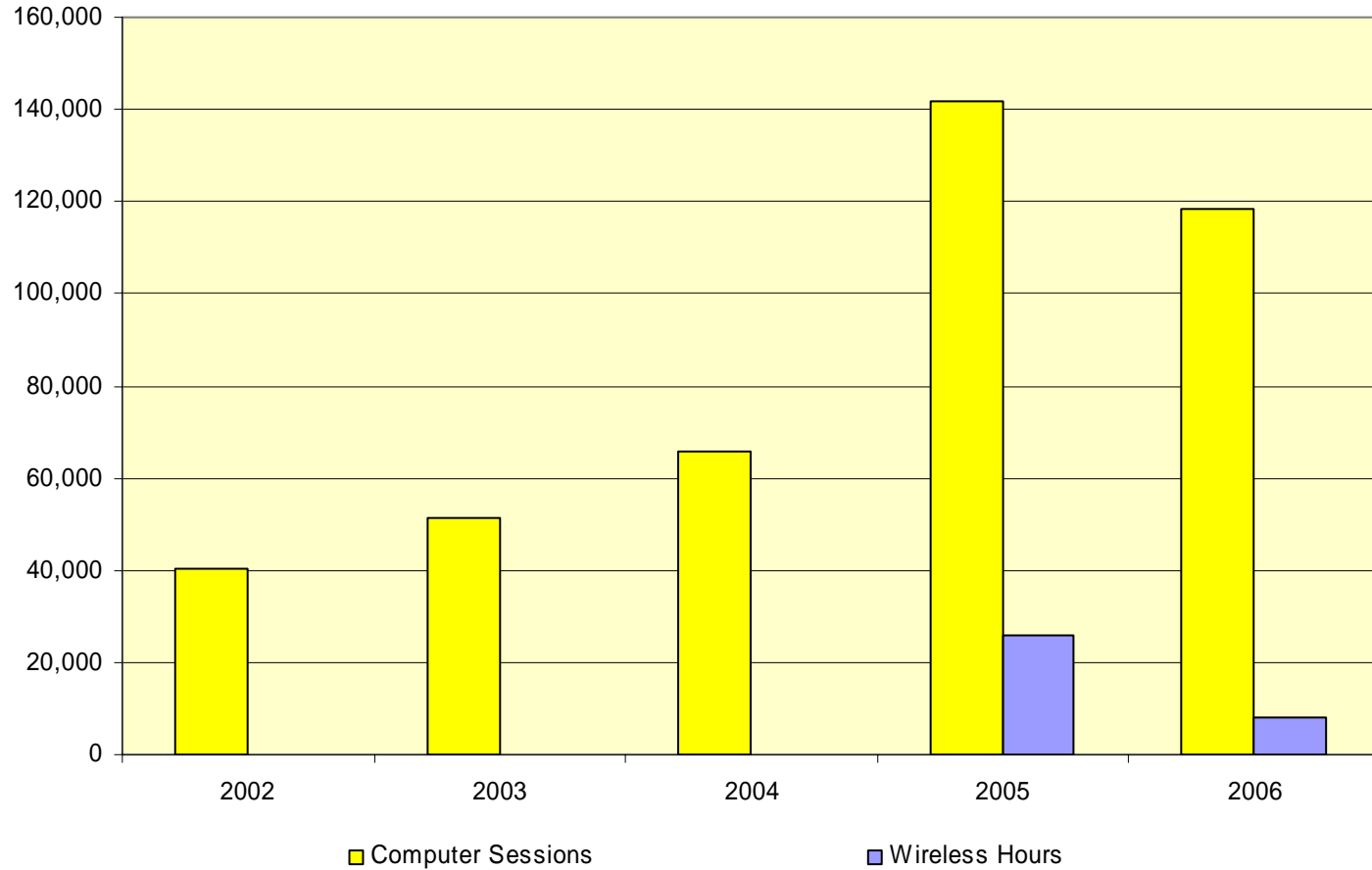
Library Division

**Library Reference Transactions Year-end 1998-2005
Compared to Third Quarter 2006**



Library Division

Computer and Wireless Usage Year-end 2002-2005 Compared to Third Quarter 2006



Finance Department

Paul A. Becker, Director

Management Agenda

- 1) Strong, Diverse Local Economy
 - a) City Events, Festivals: Coordinated Program – Mechanism: A report was developed and submitted to the City Council Ordinance Review Committee.
- 2) Service Improvements
 - a) Cost of Service Study: It is anticipated that all user fee ordinance revisions will be submitted for City Council action in the fourth quarter 2006 and first quarter of 2007.
 - b) Justice Center and Public Safety Complex Direction, One Year Actions: Methods for financing of the Justice Center and Public Safety Center Complex are currently underway and will be finalized in the fourth quarter of 2006.
 - c) Fire Station #3 and #5: The financing package for fire stations 3 and 5 was completed during the quarter.
 - d) Budget Process and Planning Policy: The budget calendar is being presented in October to the City Council. A budget work session with the City Council will be scheduled in November or early December.
 - e) 2006 Special Census: The special census has been completed and results were given to the City in September.
 - f) Closed Pension Plan – Review Possible Administrator Options: An analysis is being prepared by an actuary to assist City Council and the pension boards of trustee make the best determination for pension beneficiaries and citizens. This should be completed in the fourth quarter of 2006.
 - g) District Court Software Upgrade: The system has been installed and training is currently underway. Completion of Phase I should be done in the fourth quarter of 2006.
- 3) Strong Partnership with the University of Arkansas
 - a) Reimbursement for City services: No progress was made in the third quarter. Discussions will continue during the fourth quarter of 2006.

Accounting & Audit

Bonds were issued for the fire stations 3 and 5 and a new investment management group was selected.

Billing & Collections

Staff has been and continues to provide data for various requests from the rate consultant.

Changes are on-going to utility accounts, which were once listed in the Growth Area, but following two annexation elections are now within the City of Fayetteville. As the various divisions involved with providing services contacts the customers, staff will adjust service types accordingly.

The annual student migration that began July 17 and ended September 6, provided many challenges for staff. The call center handled 10,251 calls and processed 8,217 turn on and turn off orders.

Work has continued with New World Systems to get the special Solid Waste Extra Bag Program to become a reality in the finance module. It is anticipated that by November, the utility bill will have a detailed listing for customers incurring extra bag charges.

Budget & Research

Completed reviews of the 2007 operating budget submissions, met with Department Directors and the Mayor on General Fund funding, updated 2007 revenue projections, and prepared a City Council briefing packet.

Information Technology

Staff completed the new website site design composition mockups and presented it to the Website Committee and the Mayor. Staff started converting the new website compositions into HTML format for use as a template in the new content management system.

Phase I and II of retrieving District Court data from the Novadyne software is complete. Phase 1 consisted of gathering all of the relevant data as of July 31, 2006 from the existing court system and formatting the data into files for the software vendor. Phase 2 was gathering the "changed data" between August 1 and August 31, 2006.

Additional Utility Billing 2005 Consumption data was requested by HDR Inc. The data provided needed to be broken out and displayed in different formats including backing it out into the billed step rates. The data gathered in June was rearranged and manipulated using SQL and RPG to fit the format requested. This data, after being checked against the original data for accuracy, was imported to Excel and emailed to HDR.

Staff created GIS programs to merge all Planning PC Action polygon features into the Geodatabase with the Planning Division's Hansen attributes. This will be used to map and geographically quantify the amount and impacts of approved developments.

Updated custom overtime report programs to accommodate historical premium overtime hours and current FLSA over time hours.

Staff upgraded and/or installed wireless network equipment at the Sequoyah and Township water towers to upgrade communications to the police's mall substation and to provide network connectivity to the Westside Wastewater Treatment plant.

Migration of network user accounts from Novell to Active Directory is 98% complete.

Accounting & Audit Division

Accounting & Audit Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
External Audit and CAFR	1	1	1
Funds/Account Groups Maintained	29	27	27
Financial Statements/Ledgers	13	13	13
Bond Issues/Capital Leases Outstanding	10	9	10
Payrolls Prepared	20	25	35
Pension Distributions Processed	6	6	6
% Audits Completed on Time	100%	100%	100%
Time	100%	100%	100%
% of Payroll & Pension Checks Processed on Time	100%	100%	100%
% Forms W-2 & 1099 Distributed on Time	100%	100%	100%
% Government Reports Filed on Time	100%	100%	100%
CAFR Awards Received	0	0	0

Revenues	Actual Year-to-Date 2005	Actual Year-to-Date 2006	% Change
1% Advertising & Promotion HMR Tax	932,751	1,011,447	8.44%
1% Parks Development HMR Tax	932,751	1,011,447	8.44%
1% County Tax	5,389,531	5,681,448	5.42%
1% City Tax	7,406,751	7,793,674	5.22%
3/4% City Tax – Wastewater System Improvement Project	5,554,973	5,845,151	5.22%
State Turnback	1,820,470	1,817,335	-0.17%

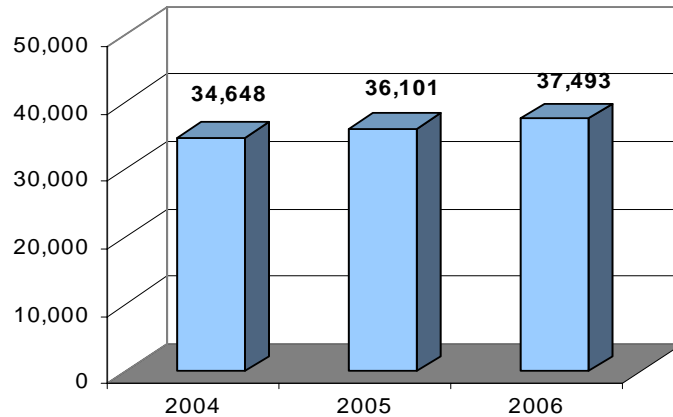
Note: These numbers are preliminary and subject to adjustments

Accounting & Audit Performance Measures	Actual 2nd. Qtr. 2005	Actual 2nd. Qtr. 2006	Actual Year-to-Date 2005	Actual Year-to-Date 2006
# of Checks Written	9,143	6,042	16,770	13,161
Amount of Checks Written	18,543,921	24,836,081	36,201,288	42,181,630
Amount of Receipts Issued	23,318,360	22,543,153	46,274,774	45,347,662

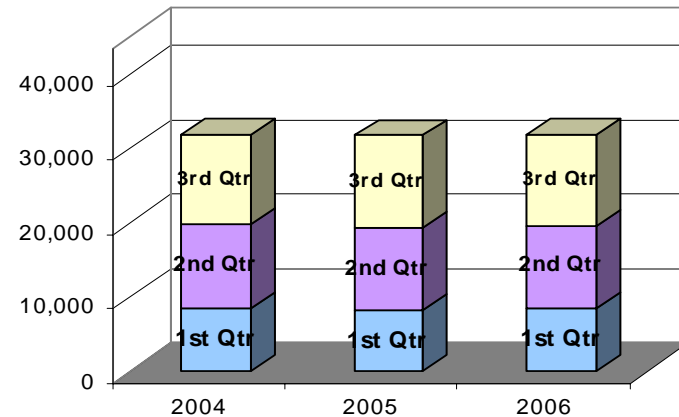
Billing & Collections Division

Billing & Collections Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Total Accounts	36,101	36,618	37,493
Active Accounts	33,380	33,660	34,476
Inactive Accounts	2,721	2,958	3,017
Utility Bills Processed	308,941	309,750	314,359
Total Service Orders	31,658	30,825	31,860
New Accounts Added	893	900	1,097
On/Off Orders Processed	30,177	29,925	30,138
Internal Orders Processed	588	0	625
Total Cash Receipts Processed	342,961	335,625	353,532
Utility Payments Processed	284,129	281,250	291,053
Utility Deposits Processed	7,027	6,750	6,861
Other Cash Receipts Processed	51,805	47,625	55,618

Total Accounts

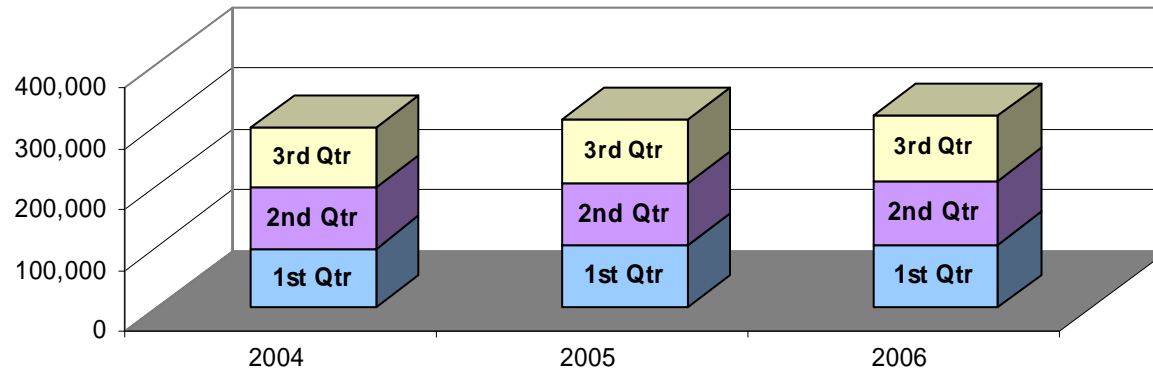


Total Service Orders Processed

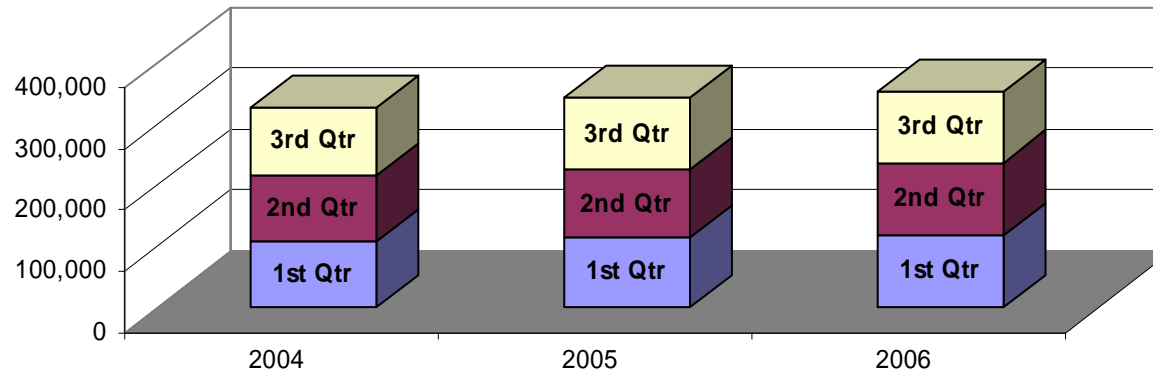


Billing & Collections Division

Utility Bills Processed

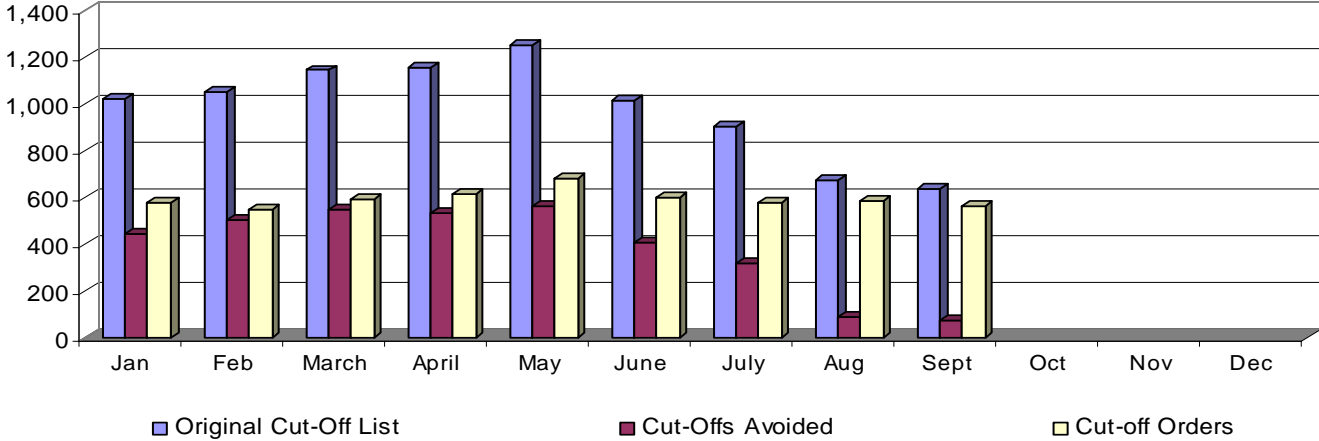


Total Cash Receipts Processed

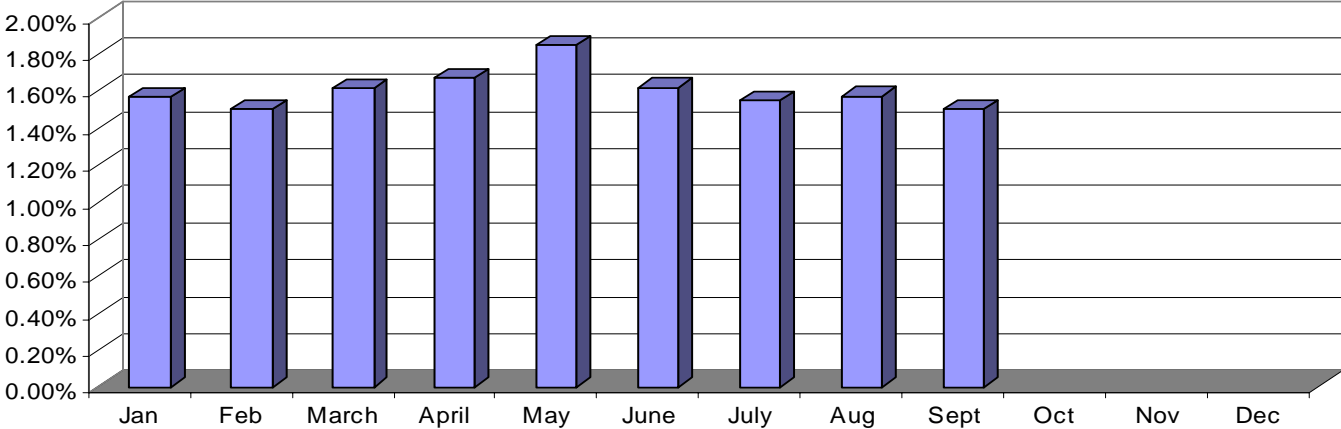


Billing & Collections Division

2006 Cut-Offs by Month



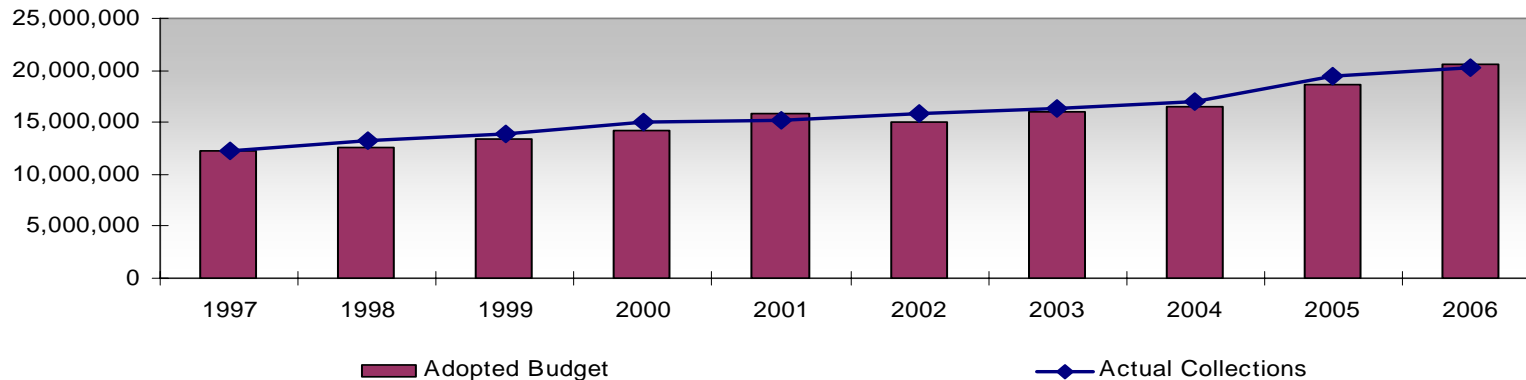
Percent of Customers Cut-Off



Budget & Research Division

Budget & Research Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Budget Submissions Reviewed	95	95	98
CIP Projects Reviewed	197	81	87
Programs Reviewed : Budget to Actual-Monthly	109	109	113
Special Projects & Studies	5	5	2
Budget Adjustments/Line Items Processed	226 / 1,532	270 / 2,400	266 / 2,113
Capital Projects Monitored	185	180	170
Funds Reviewed	25	25	27
Annual Budget Completed	0	0	0
CIP Annual Update Completed	0	0	0
% of Time for Special Projects	25	20	15
% of Time for Capital Projects	25	25	25
GFOA Distinguished Budget Award	1	1	1
% of Actual Revenue Received Over Adopted Budget	3.49%	0.00%	2.23%
Year-to-Date Percent of Growth over Prior Year for City Sales Tax Collections	9.790%	6.000%	4.300%

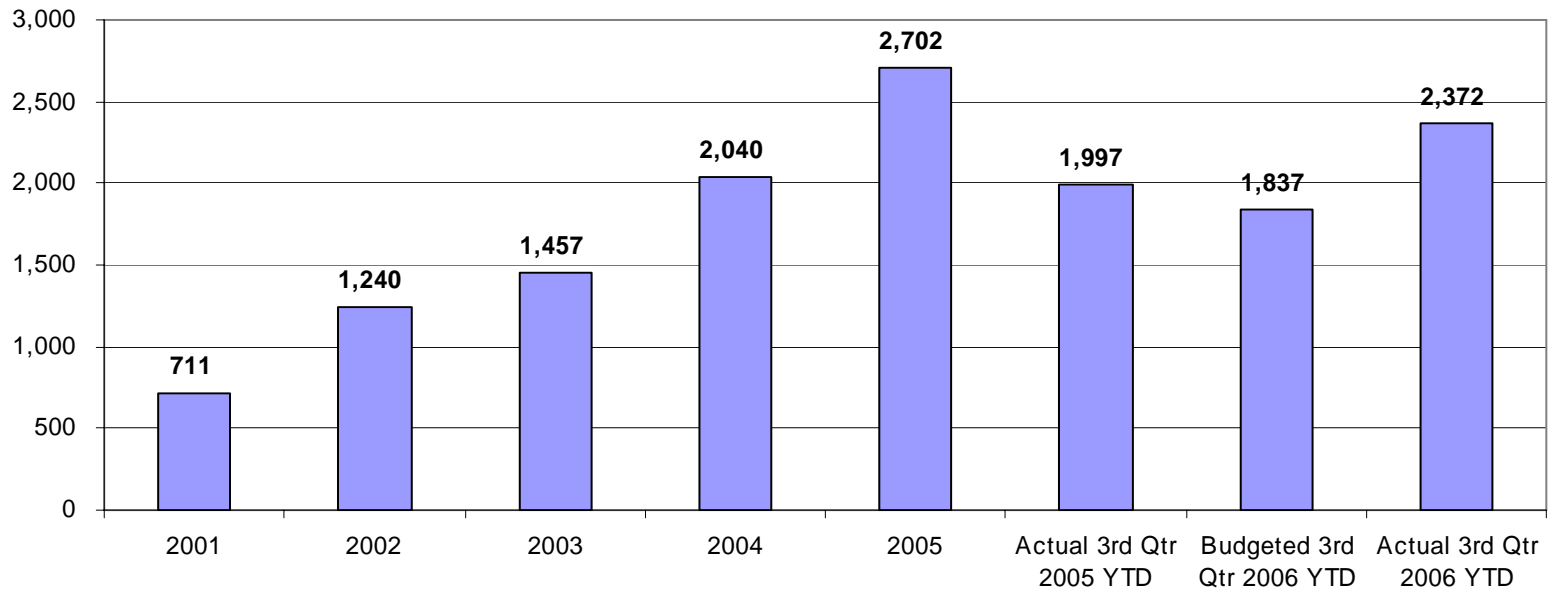
2006 Adopted Budgeted Revenues Compared to Actual Collections for the City and County Sales Taxes



Information Technology Division

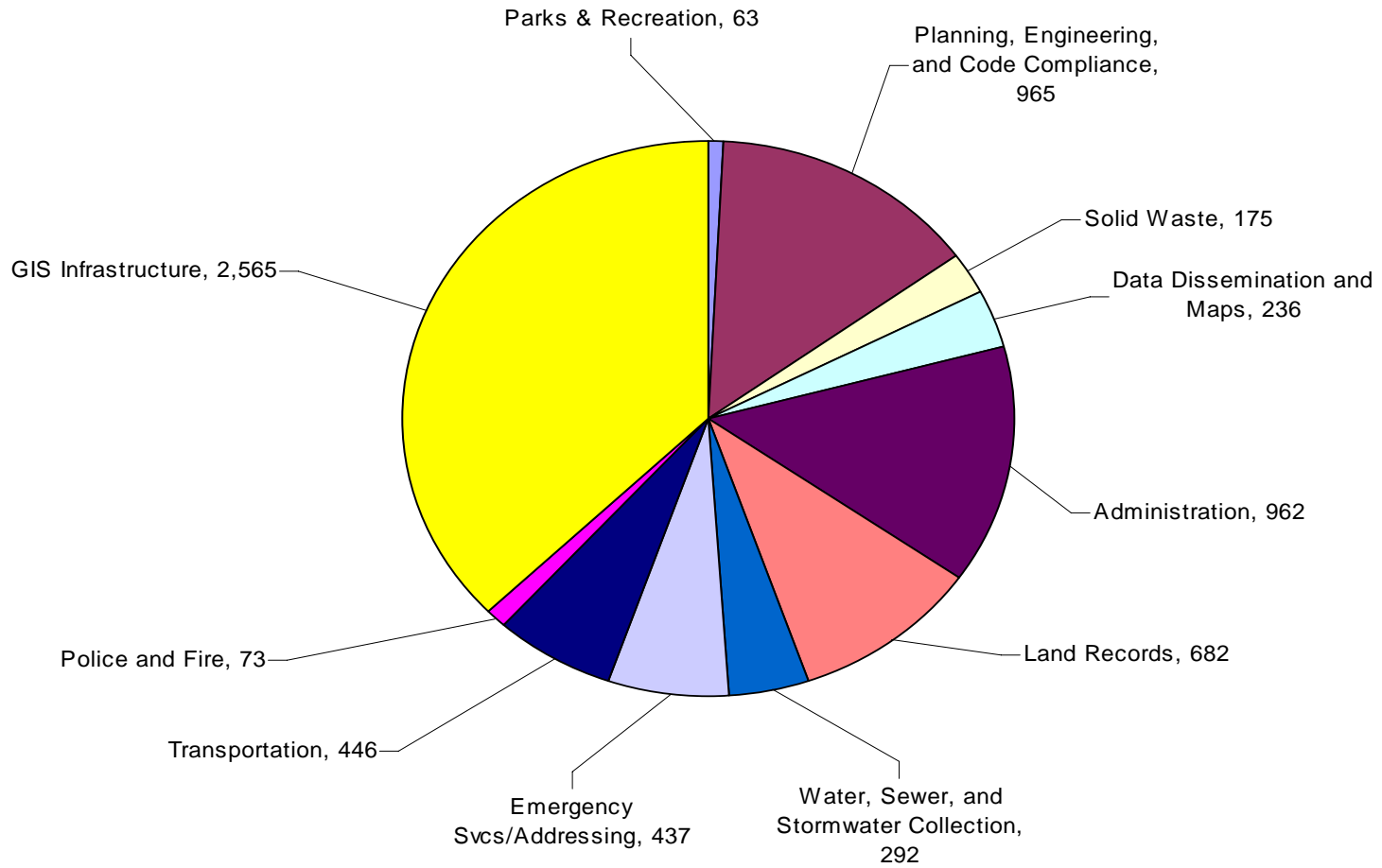
Information Technology Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Project Requests/Staff Hours - Minicomputer	419 / 2,569	416 / 2,625	471 / 2,697
Project Requests/Staff Hours - PC Support	680 / 2,293	900 / 2,175	717 / 2,351
Project Requests/Staff Hours - Network	596 / 2,898	525 / 2,625	859 / 3,679
GIS Requests/Staff Hours - GIS	294 / 8,384	337 / 7,500	325 / 9,086
Training Sessions/Staff Hours	30 / 111	30 / 132	32 / 98
Routine Systems Support Hours	2,050	2,325	2,098

IT Help Desk Requests



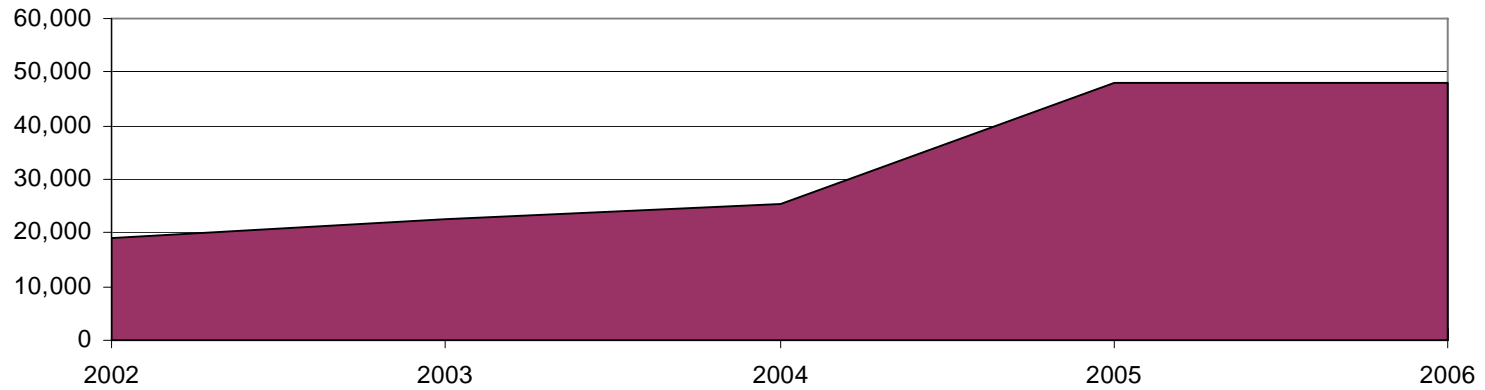
Information Technology Division

GIS Hours by Request Type

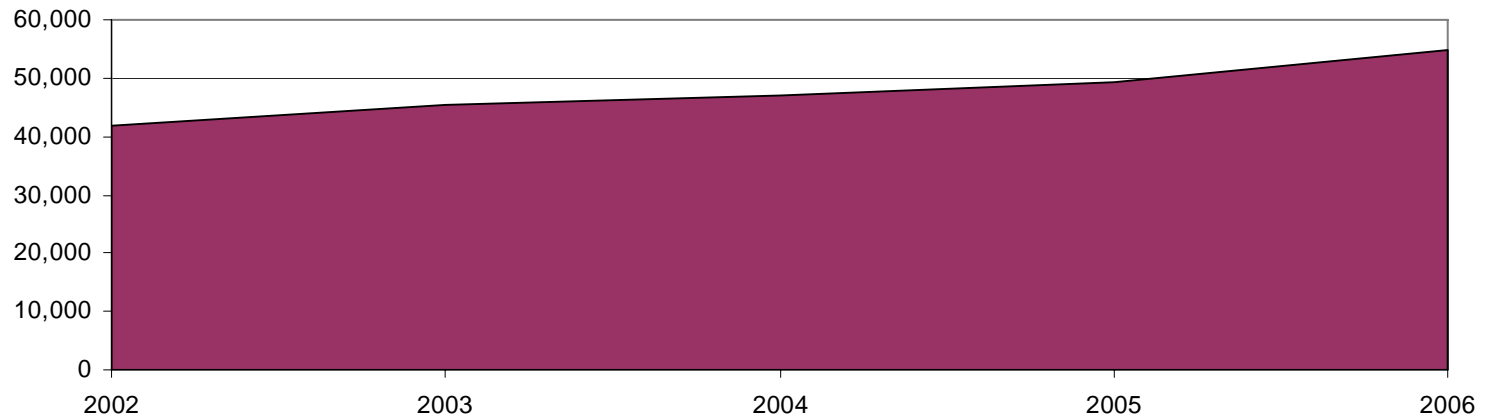


Information Technology Division

Municipal Management System (Hansen) Assets Maintained



Addresses Maintained

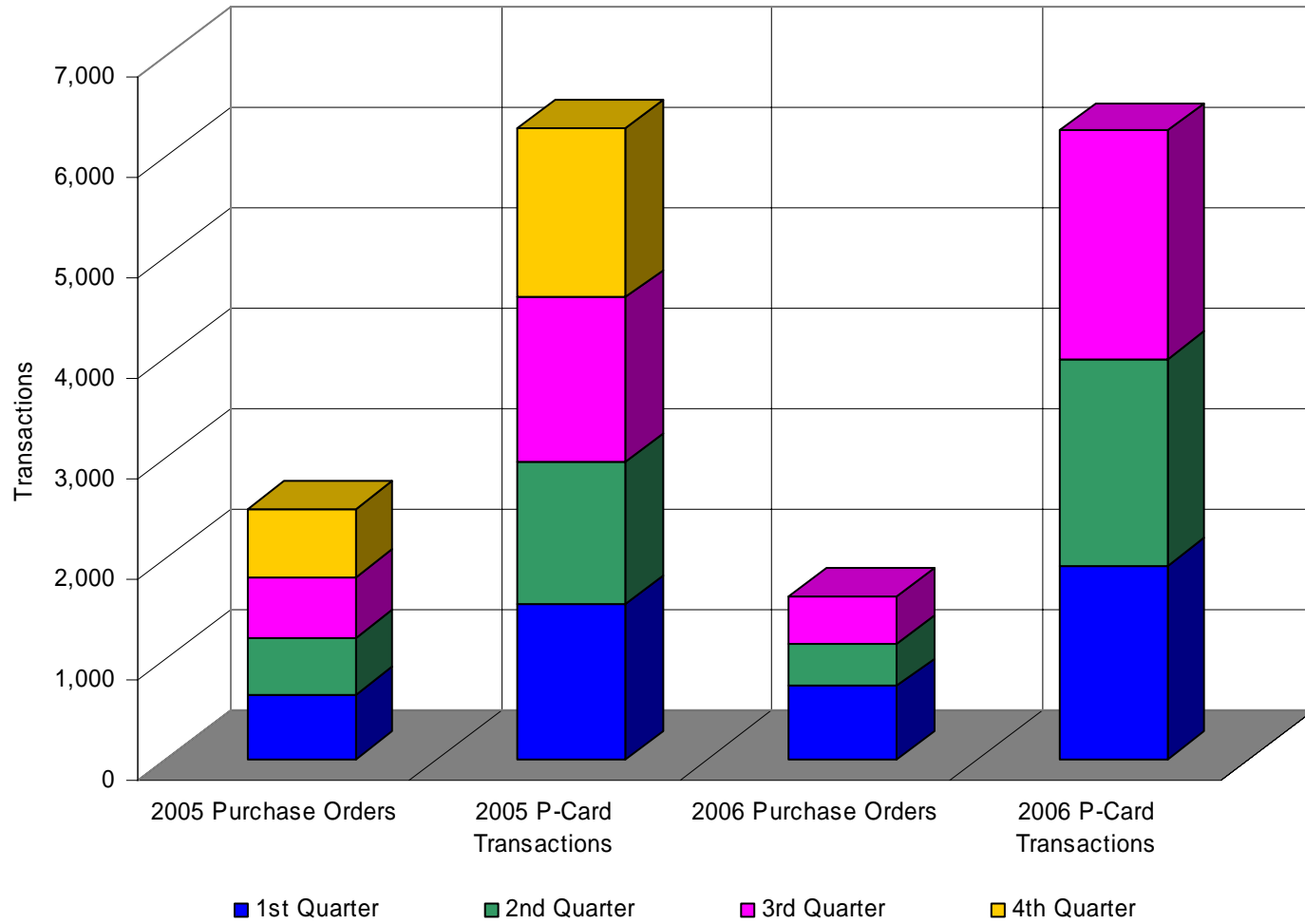


Purchasing Division

Purchasing Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Formal Bids/Requests for Proposals Requested	87	98	88
Purchase Orders Issued	1,838	1,500	1,626
Purchase Orders Issued Amount	\$ 48,024,399	\$ 15,000,000	\$ 47,701,339
Insurance Claims Processed	77	75	79
Value of Assets Insured	\$ 160,119,826	\$ 165,000,000	\$ 162,281,338
Purchasing Card Transactions	4,316	7,500	6,255
Purchasing Card Charges	\$ 1,023,333	\$ 1,500,000	\$ 1,293,900
Formal Bids/Requests for Proposals Awarded	84	94	65
Value of Assets Lost to Accidents	\$ 12,085	\$ 7,500	\$ 23,451
Bid Request to Bid Opening - Days	27	20	37
Purchase Request to Purchase Order - Days	3.00	4.00	2.87
Dollar Differential between Average Bid Received and Award	\$ 2,420,690	\$ 2,250,000	\$ 3,863,501
Average Number of Bidders per Bid	2.95	3.00	3.00

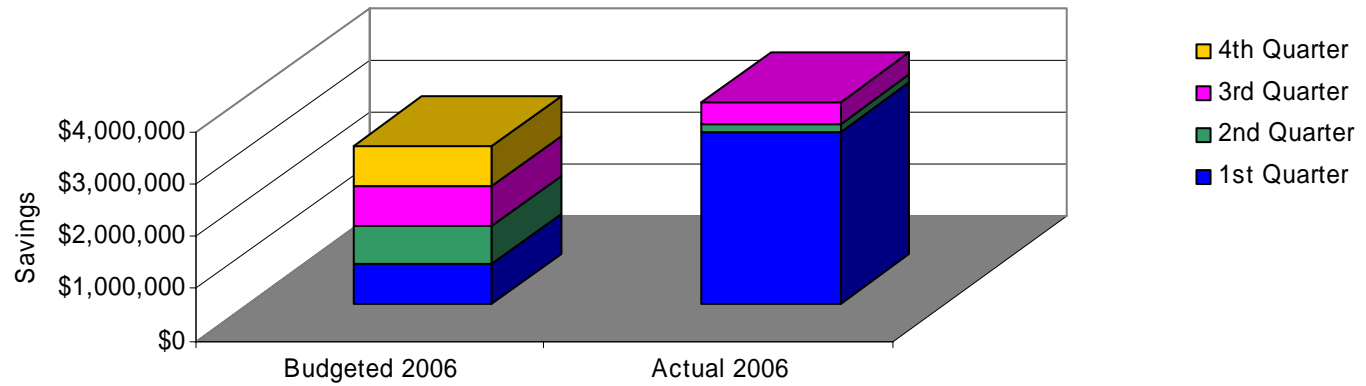
Purchasing Division

Increased Usage of P-Cards

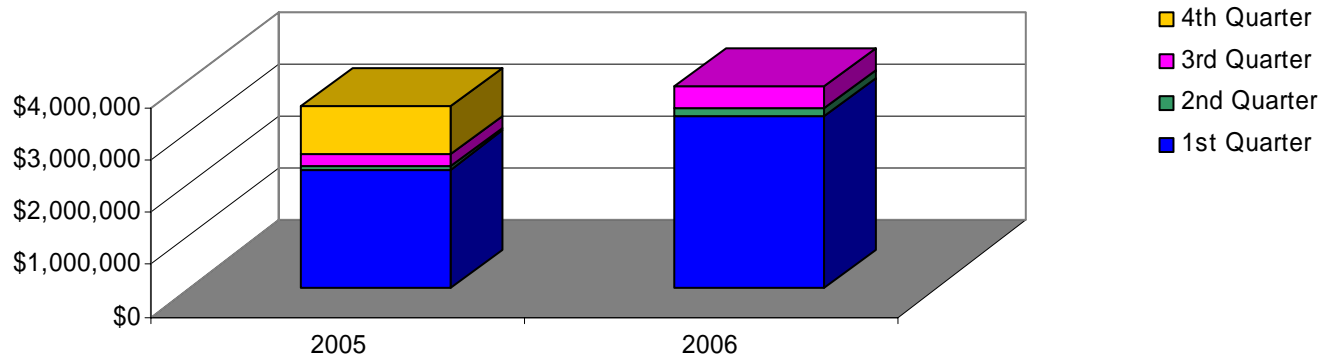


Purchasing Division

Difference Between Low Bid & Average of Other Bids Received



Bid Cost Savings - 2005 vs. 2006



Fire Department

Tony Johnson, Fire Chief

2006 Management Agenda

1) Service Improvements 2005-2006

- a) Fire Station #3, One Year Actions: The architect has been selected for the design of fire station #3 utilizing a portion of the existing facility. The appropriation request will be reviewed by council the first meeting in August. This new station constitutes expanded fire and emergency service for the southeast quadrant of the City.
- b) Fire Station 5 Relocation: The project of constructing a new fire station at Crossover and Old Wire Roads, which will replace the current facility located at 833 North Crossover Road, has cleared the preliminary steps of Technical Platt Review, Subdivision Committee, and the Planning Commission. The project is on schedule and the groundbreaking will be July 20th. The construction contract was awarded to Bossler Contracting of Siloam Springs.
- c) Washington County Ambulance Committee: Participated in a county wide effort to study the future of ambulance service in the Northwest Arkansas region. This process remains ongoing with a high probability of resolution around the first of 2007.

Fire Operations

Purchased and placed into service a new skid unit for the brush truck for fighting brush fires.

Promoted two assistant fire chiefs and three battalion chiefs.

Fire Department

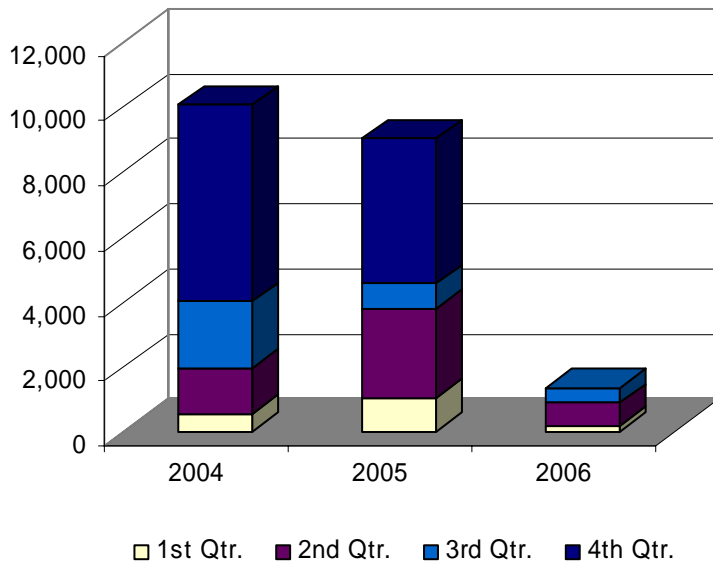
EDUCATIONAL CONTACTS

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2004	563	1,412	2,043	6,040
2005	1,059	2,737	754	4,485
2006	193	692	468	

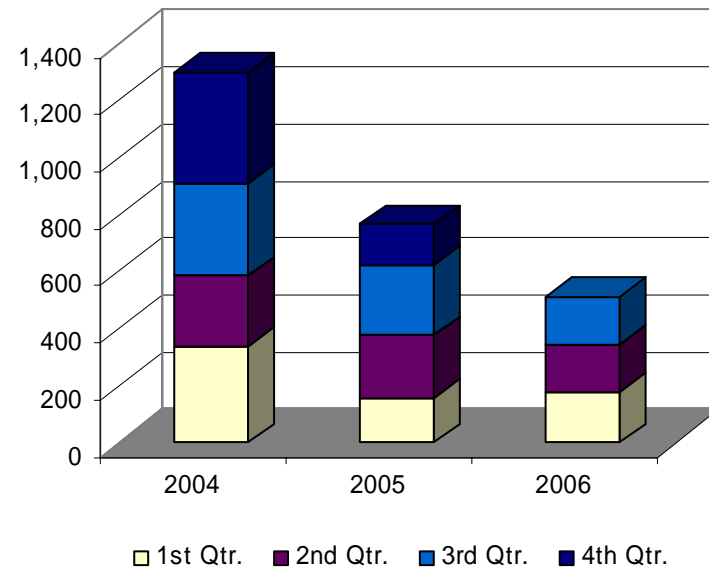
FIRE CODE COMPLIANCE INSPECTIONS

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2004	339	246	323	391
2005	158	218	246	145
2006	178	168	168	

Educational Contacts



Pre-Fire Inspections



Fire Department

ANNUAL CALLS FOR SERVICE

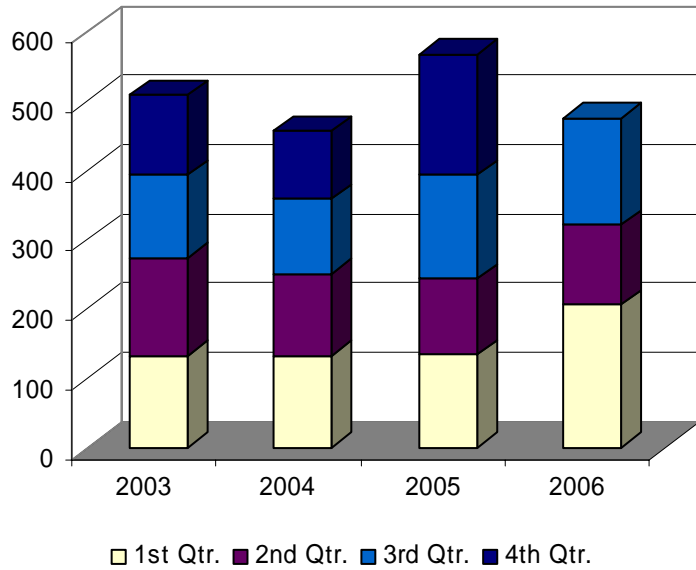
Fire Responses

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2003	133	141	119	116
2004	133	118	108	98
2005	135	109	150	174
2006	207	115	154	

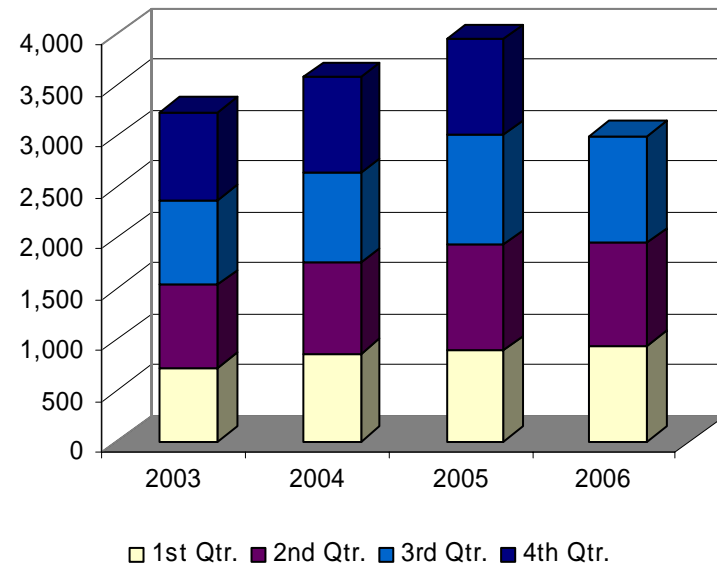
EMS Responses

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2003	725	812	832	864
2004	867	893	878	944
2005	898	1,028	1,079	950
2006	938	1,018	1,040	

Fire Responses



EMS Responses



Fire Department

ANNUAL CALLS FOR SERVICE

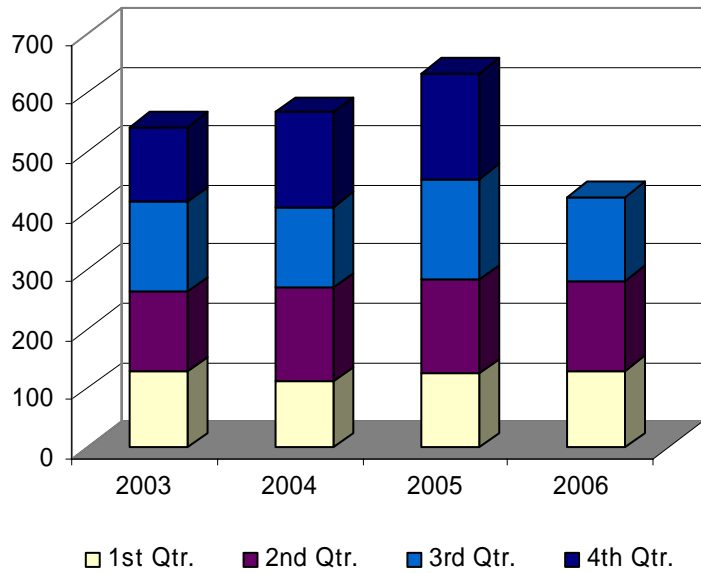
Rescue Responses

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2003	128	136	152	126
2004	111	159	137	161
2005	126	158	171	179
2006	131	151	143	

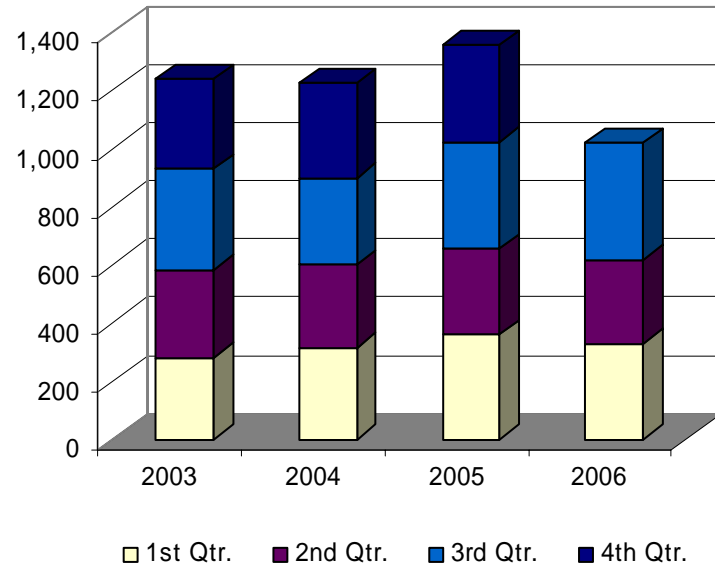
Other Responses

Year	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
2003	282	301	348	307
2004	317	282	301	326
2005	362	293	367	333
2006	331	288	400	

Rescue Responses



Other Responses



Operations Department

Gary Dumas, Director

Management Agenda

- 1) Strong, Diverse Local Economy
 - a) Development Codes and Processes Evaluation and Streamlining Actions: The City will hold developer workshops and provide a mechanism for developer feedback in the development review process. Staff will evaluate adding personnel to develop an “expedited fast track” permitting process that would be funded through higher development review fees. Building Safety will implement a One-Stop Permitting process for single family home permitting. The Downtown Zoning Code will provide an administrative review process for projects that meet the new code. Evaluating the review process to eliminate unnecessary meetings for the applicant. The City will implement a Hillside Overlay District to meet the goals of the Mayor and City Council’s Strategic Plan.
 - b) City Events, Festival: Coordinated Program – Mechanism: Fayetteville Downtown Partners will continue to provide assistance with festivals and events in downtown Fayetteville and in the Entertainment/Cultural District. The City will continue to provide the application and permitting process to event producers seeking additional city resources required for festivals and special events.
 - c) Street Bond Program Implementation: Engineering and design contracts for several streets included within the street bond program have either been awarded or are in contract negotiation. The implementation of the street bond program is underway and proceeding.
- 2) Planned and Managed Growth
 - a) Annexation Policy: The westside annexation is complete. Service delivery will be implemented in a timely manner to the City’s new residents. Additional areas will be evaluated for possible future annexation.
 - b) Infill Development Policy: Staff will continue to evaluate and recommend higher density projects within appropriate areas of the City where infrastructure can support the proposals.
 - c) Rental Registration and Inspection Policy: The City will evaluate the implementation and associated staffing and budgetary needs to create a rental registration and inspection program.
 - d) Street Access Management Policy: Staff will bring forward an access management ordinance to amend the Unified Development Code based on the BWR Traffic Study recommendations. Staff will continue to implement the policies in place to reserve right-of-way corridors and limit access to arterials where appropriate.
 - e) Update Water/Sewer Impact Fee Calculation: The update to the study will be brought forward for adoption and ordinance amendments will be recommended to update and adopt new impact fees.
 - f) South Fayetteville Revitalization: CDBG program will continue to provide funding for improvement projects and assist in the continued revitalization of South Fayetteville. Planning Staff will continue to encourage redevelopment projects in South Fayetteville that provide a mixture of housing and job types.
 - g) Multi-Family Design Standards: Staff will present to the Planning Commission and City Council architectural design standards for multi-family housing in all areas of the City in an effort to provide a higher quality of community development while creating an attainable housing supply.
 - h) Engineering Specifications – Development and Funding: Organize and combine Water, Sewer, Street, and Drainage Specifications, including detailed drawings, to be used for City projects and private projects installing public infrastructure.
 - i) In-House Water & Sewer Capacity Modeling – Develop and Maintain: Develop computer models to have the capability to perform an instantaneous capacity analysis to determine impacts from private development on infrastructure.

- j) Water Master Plan: Finalize and accept final plan from McGoodwin, Williams & Yates for the recommended future improvements to the City water system.
 - k) Impact Fees for Roads: A study has been completed and will be discussed by the City Council.
 - l) Citywide Master Plan 2025: Update: The Master Plan has been adopted by the City Council and staff will work toward implementation of the plan.
- 3) Development of our Crown Jewels: The Square – Dickson Street – University
- a) New Parking Deck in Dickson Street Area: A Request for Proposals for private partners to assist the City in the construction of Dickson Street area parking structure will be released during the fourth quarter.
 - b) Entertainment/Cultural District: The Downtown Zoning Code will identify a boundary for the entertainment district, establishing guidelines to promote and encourage these uses within the district.
 - c) Zoning District Code: The Downtown Zoning Code is being drafted and will be brought forward for adoption by the City Council.
 - d) Business Improvement District: Development and Funding (Downtown Management District): Downtown Partners will bring forward a proposed Downtown Improvement District.
 - e) Downtown Square Rehabilitation and Enhancement: Develop a strategy with the Parks & Recreation, the Engineering, and the Transportation divisions to rehabilitate the square gardens and sidewalks.
- 4) Improved Mobility and Street Quality
- a) Persimmon Street Direction and Actions: Finalize the sale of the 34 acres from the Westside Wastewater Plant property to allow for private developers to improve Persimmon and also to coordinate with adjacent developments for cost share opportunities.
 - b) Fayetteville Expressway Economic Development Corridor (College Avenue, CMN, Mall Access) – Project Implementation and Additional Funding: A traffic study of the corridor is underway to identify and prioritize transportation improvements necessary to improve the access to this vital area and to coordinate with the State and Federal agencies to utilize existing federal funds.
 - c) Sidewalks for Elementary School Areas: Staff continues to develop sidewalk linkages to and around elementary schools.
 - d) Neighborhood Traffic Calming: Staff continues to implement the new Traffic Calming policy by becoming more proactive by working with the various neighborhoods.
 - e) Huntsville / 15th / Happy Hollow Intersection Improvement: Construction is complete for realigning this intersection and installing traffic signalization.
 - f) Transportation Improvement Plan and Funding: The bond election was successful and engineering analysis and design is underway on several streets included in the Transportation Bond Program.
 - g) Trail System Development: Identify and secure high priority trail corridors and construct five (5) miles of new trails by in-house crews.
 - h) Township Widening: Complete construction plans and documents, go out for bids, and begin construction to widen Township to three lanes complete with curb and gutter, sidewalks, and underground drainage.
 - i) Kings Drive Improvements: The construction contract will be awarded in the fourth quarter.
- 5) Strong Partnership with the University of Arkansas.
- a) Institutional Drive Conversion Policy: The City will continue to work with the University regarding their desire to transfer some City streets in and around the campus to institutional drives to be maintained by the State.
 - b) Residential Parking Program: Initiate a parking study that outlines the needs and services of a residential parking program within downtown Fayetteville and the Entertainment/Cultural District.
 - c) Technology Corridor Enhancement Project (Cato Springs and Razorback Road): The City will partner with the University to improve access and remove existing constraints to continued development of the Technology Corridor.

- d) Water Distribution System and Backflow Prevention System Upgrades: University of Arkansas funded upgrades to their water system and dedication of that system to the City of Fayetteville, improving the quality of service to both the City and the University. Installation and upgrade of the University's backflow prevention program to bring it in compliance with City and State regulations and to protect public health and safety. Work on this will total almost \$2 million between 2005 and 2006.
- 6) A Beautiful City – Clean and Green
- a) Stormwater Utility Policy: Study potential mechanism to collect funds to effectively implement a stormwater system maintenance and improvement program.
 - b) Code Enforcement, Prosecution, and Adjudication Process Evaluation and Recommendations: The Administration, working with the City Prosecutor, will continue to refine the processes necessary for successful prosecution of these code compliance and zoning issues.
 - c) Green Building Policy: Building Safety will develop a list of possible options utilizing national building codes to serve as the basis of a Green Building Policy.
 - d) Public Education on Stormwater Management: Staff continues the partnership with the Washington County Cooperative Service to perform necessary education programs to remain in compliance with the State's Stormwater Discharge permit.
 - e) Community Park – Implementation and Additional Funding: Several public forums will be held to involve citizens in the design of the Community Park. A Steering Committee will be formed consisting of past and present Parks and Recreation Advisory Board members, as well as citizens, to create a plan to obtain donations in order to facilitate the development of the Community Park.
 - f) Sanitary Sewer Rehabilitation Project: Rehabilitation of the City's existing sanitary sewer system to reduce the volume of ground and rain water entering the system. Over \$3 million of construction, half funded by federal grant funds, will be completed in 2006.
 - g) Botanical Garden – City Participation Plan: The City Council will continue to support the establishment of a viable Botanical Garden at Lake Fayetteville.
 - h) Scull Creek Trail – Funding: Utilize current dedicated funding for the Scull Creek Trail to begin development and construction of this trail corridor.
- 7) Service Improvements
- a) Wastewater System Improvement Project: Construction of the new Westside Wastewater Treatment Plant (WWTP), upgrade of the existing Noland WWTP, and construction of 30 miles of large diameter interceptor pipelines to transport flows to the WWTPs. This project will eliminate over 50 sewer overflows system wide on an average year.
 - b) 36" Water Transmission Line: Rehabilitation and flow control on the 36" water transmission main from the Beaver Water District to Fayetteville to meet regulatory requirements, extend the life of the pipeline, and reduce the potential for large water main breaks that impact system wide pressure.

Parking Enforcement & Telecommunications

New parking structure in the Dickson Street area and pay parking discussions – A request for proposals from a private partner to work with the City to construct and fund a new parking structure in the Dickson Street Area will be released during the fourth quarter.

Human Resources

Council Compensation Study Committee – The Committee has made their recommendation to the City Council concerning the compensation plan and will conclude their work on Phase 2 of the compensation analysis during the fourth quarter.

Water & Wastewater Department

David Jurgens, Director

Management Agenda

- 1) Continual update of the City's strategic plan
 - a) Continued to use the updated sewer collection model to evaluate the ability of the system to accommodate flows from new developments.
 - b) The Water Master Water Plan and Study for the water storage and distribution system has been furnished by the consultant and is under staff review. The associated computer model is being used to evaluate new developments in areas where water supply may be an issue. A water/wastewater staff engineer was added in January, 2006, with the expertise to run the model in-house. Training is underway; the model should be completed in late 2006 and staff will have the ability to evaluate all significant changes to the water system. A change order is being evaluated to update the model so that it will be fully up to date when it is turned over to the City.
- 2) Wastewater System Improvements Project.
 - a) Designs are complete.
 - b) Two easements on the west side are going forward for condemnation and all others have been acquired. Easement acquisition is underway for the east side lines.
 - c) The NPDES Permits for both the Noland and Westside Wastewater Treatment Plants are published and in effect.
 - d) Completed a watershed protection agreement with the Beaver Water District that is a leap forward for protecting the White River watershed from non-point pollutant sources. A consultant will be hired in the next quarter to develop a nutrient reduction plan.
 - e) Construction is underway for the following projects.
 - i) Westside Wastewater Treatment Plant construction is underway and making excellent progress, Brasfield & Gorrie, \$59,994,710, substantial completion May, 2008.
 - ii) Noland Wastewater Treatment Plant construction is underway and making excellent progress, Archer Western Contractors, \$14,44,000, substantial completion May, 2007.
 - iii) WL-5, force mains from the Hamestring Lift Station to the Broyles Road WWTP, Garney Construction, \$4,752,287, substantially complete as of this report.
 - iv) WL-1 and 3, Gravity Lines from Old Wire Road to Gregg Avenue, and from Porter Road to Hamestring Lift Station, Oscar Renda Contractors, \$7,014,948, substantial completion in March, 2007.
 - v) WL-4, Gravity Lines and Force Main from Gregg Avenue Lift Station to Hamestring Lift Station, Oscar Renda Contractors, \$10,441,319, substantial completion in October, 2007.
 - vi) WL-6 Hamestring lift station, Brasfield and Gorrie, \$6,130,000, substantial completion December, 2007;
 - vii) The electrical line relocation on Broyles Road is underway, Ozark Electric, \$300,000, substantial completion in April, 2007.
 - viii) Westside WWTP Wetlands Construction, C. Greenscaping, \$145,200, substantial completion December, 2006.

- f) The last major westside construction projects will bid as shown below. Bid dates are scheduled to facilitate completion at the most appropriate time.
 - i) WL-7, Gregg Avenue lift station, estimate is \$276,000, bid February, 2007.
 - ii) WL-2, the gravity line from North Street to Gregg Avenue, estimate is \$4,154,667, will bid October, 2006.
 - g) Easement acquisition is underway for the east side lines.
 - h) The project is funded through a combination of a \$42 million sales tax bond issue approved in September 2006, a \$125 million sales tax bond issue approved in November 2001, system revenues, developer impact fees, and the sale of land at the Westside WWTP site.
- 3) Sanitary Sewer Rehabilitation.
- a) The Sanitary Sewer Rehabilitation project, using approximately the \$1.1 million from the State Tribal and Assistance Grants for 2003, and 2004, is under construction, T-G Excavating, \$2,266,606, substantial completion October, 2006.
 - b) Sewer Manhole Rehabilitation in the amount of \$140,000 was completed in Farmington, per the arbitration agreement. Design is underway on the line replacement.
 - c) Field inspections of the Hamestrung sewer basin are complete and preliminary design is underway.
 - d) The City has received a State Tribal and Assistance Grant for 2006, in the amount of \$477,900.

Meter Operations

Meter reading and maintenance employees worked 8,382 on turn on/off orders, processed 84 pressure and leak related orders, and preformed 1,500 miscellaneous customer service related jobs.

Field reps inspected 233 construction accounts to determine if the buildings were occupied or still under construction and verified 224 water taps to ensure that the tap and meter are serving the building to which they were issued. Updated 61 construction accounts pertaining to customer status and billing charges. Replaced 292 manual read meters with radio-read meters. Installed 167 radio-read meters for new service and installed electronic read hardware on 337 radio-read meters that were in service but were being read manually. These installations increase the number of meters that are radio-read to 9,925.

Replaced 81 manual read meters that were due for scheduled maintenance or had malfunctioned and removed 33 water meters reported to be inactive and no longer needed at the address currently installed. Staff assigned 368 utility account numbers and location codes.

The backflow prevention team inspected 83 backflow preventer installations, tested 83 backflow devices, and surveyed 186 high hazard and 114 low hazard locations.

Water & Sewer Maintenance

Staff installed 1,095 feet of 8" sewer pipe. Locations of the improvements were Sycamore and Leverette, 2580 N. College, and Rockcliff and Hughes Street. The sewer department also television inspected 7.29 miles of sewer main, washed 76.33 miles of sewer main, repaired 35 sewer point repairs at the main, repaired/rebuilt 44 manholes and had 82 sewer overflows.

Staff installed 1,310 feet of 2" through 8" water main. Locations of the improvements were Emma, Center, 11th and Duncan, and Sunshine. Two new fire hydrants were also installed and an additional 46 hydrants were repaired/replaced within the water system. Staff repaired 245 leaks and provided customer service in the form of locates to 2,947 requests.

Wastewater Treatment Plant

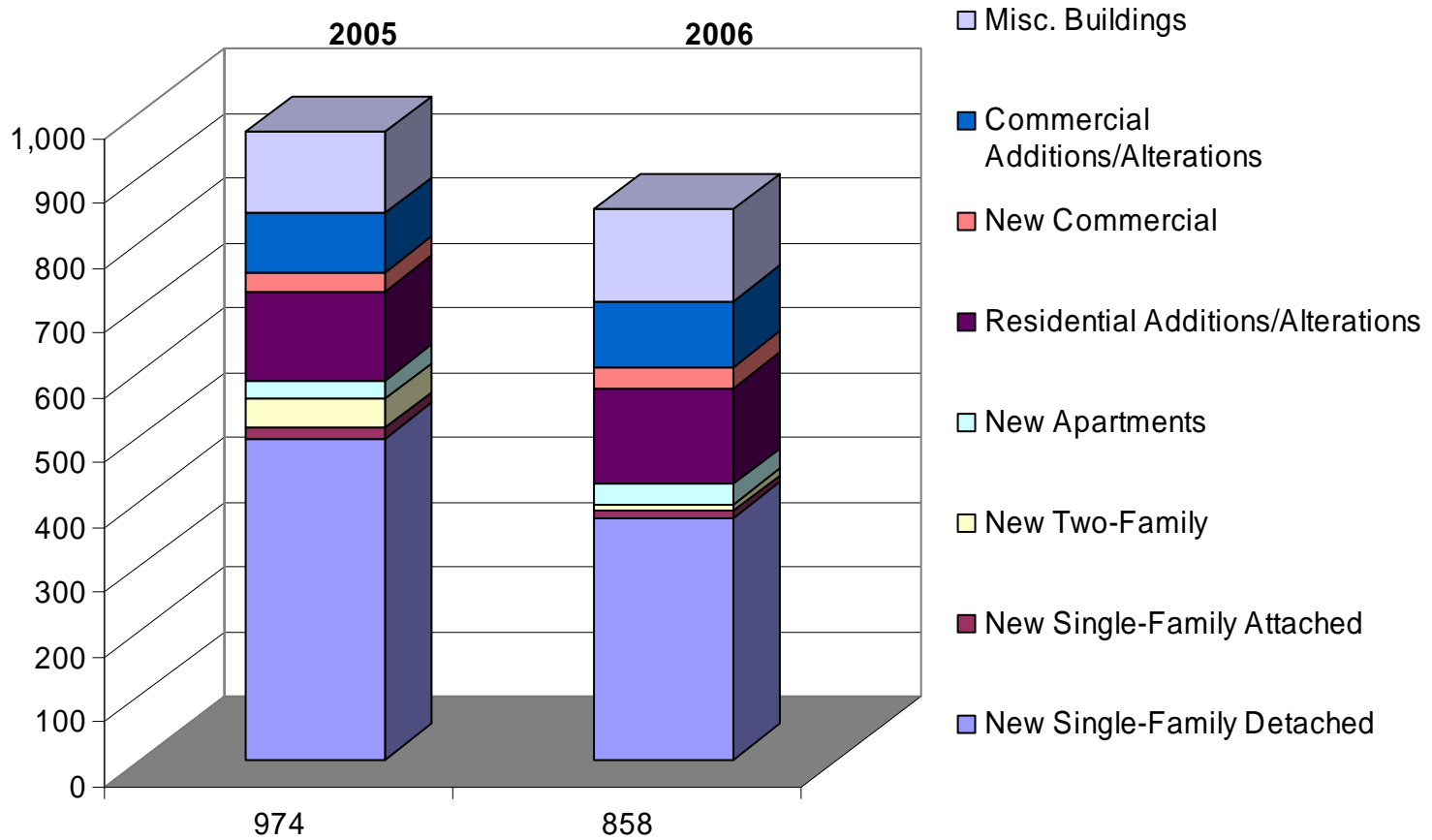
From July to September 2006, the WWTP continued to produce final effluent far better than the NPDES permit limits required. The overall compliance record of the facility has reached 194 out of the last 199 months.

OMI staff completed the relocation of the power and control panel at Hamestring lift station. The immediate out of scope work was necessary to minimize delay in line work for the Wastewater System Improvement Project near this station.

OMI maintenance staff successfully sustained the functionality of the transfer switch at the Old Wire Road lift station until the Westside Wastewater System comes on line. The generator's transfer switch is over 20 years old and would cost approximately \$25,000 to replace. The unit will ultimately need replacement but with the interim repair as a viable option, the replacement costs will be significantly reduced to match the reduction in capacity of this station in the future.

Building Safety Division

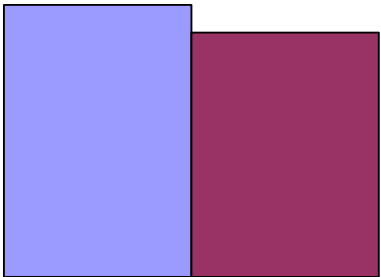
Building Permits Issued



Building Safety Division

Building Valuations

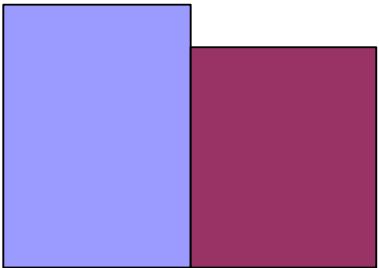
2005 2006



■ \$217,359,779 ■ \$194,806,964

Fees Collected

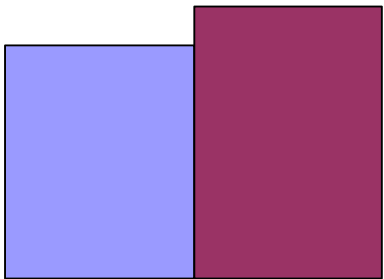
2005 2006



■ \$1,014,869 ■ \$852,248

Inspections Performed

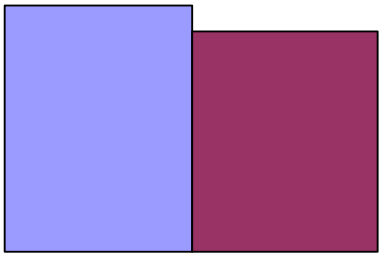
2005 2006



■ 18,861 ■ 21,953

Total Permits Issued

2005 2006



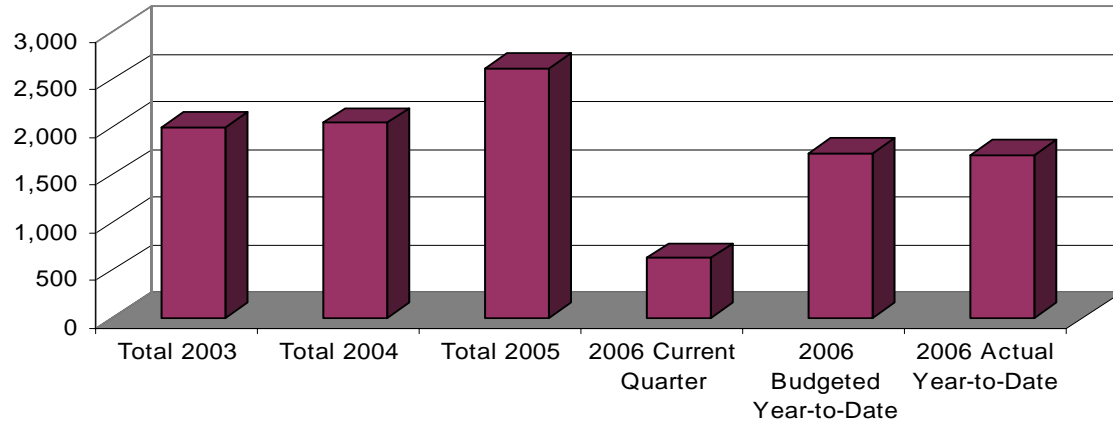
■ 4,842 ■ 4,315

Building Services Division

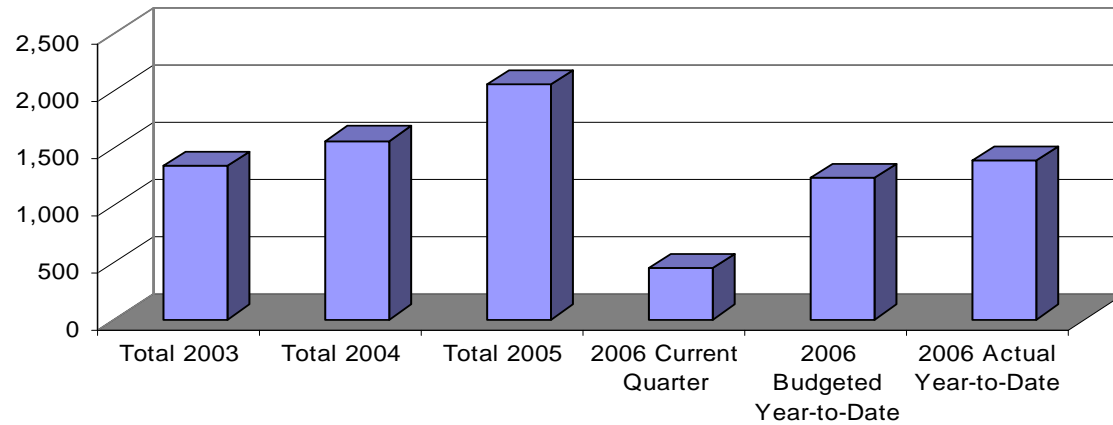
Building Services Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
City-Owned Buildings	61	62	62
Renovations > or = \$2,000	14	11	7
Asbestos Inspections	4	3	3
Service Requests - Total	1,979	1,728	1,749
Contracts Managed	20	24	23
Preventive Maintenance Inspections	12	12	11
City Buildings Maintained	27	27	28
Service Requests - General Maintenance	1,601	1,238	1,382
Service Requests - HVAC	250	281	160
Service Requests - Plumbing/Electrical	201	210	167
City Buildings Maintained - Janitorial	13	15	16
Square Footage Maintained - Janitorial	129,794	129,794	129,794
Restrooms Maintained	45	47	47
Strip/Seal/Wax Floors	5	8	9
Janitorial Cost per Square Foot	\$ 1.31	\$ 1.66	\$ 1.66
Complaints on Janitorial Service	3	3	1

Building Services Division

Total Service Requests

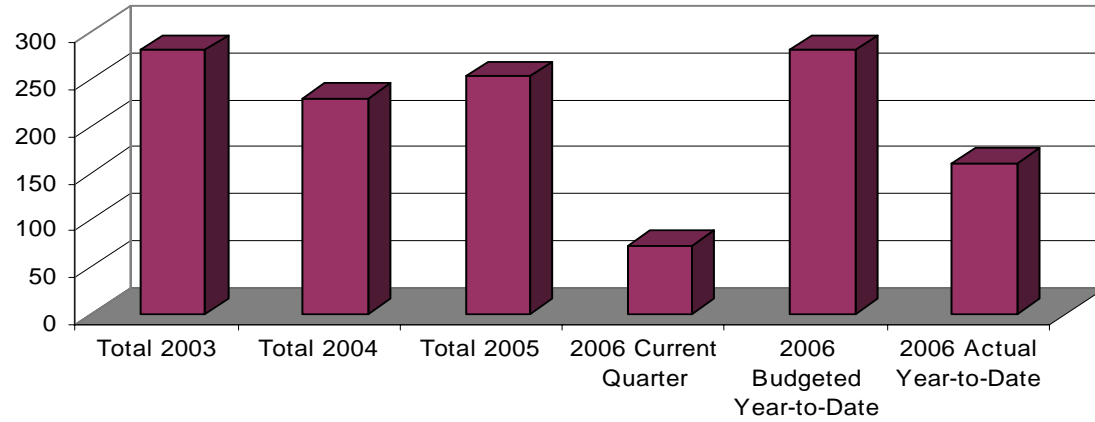


General Maintenance Service Requests

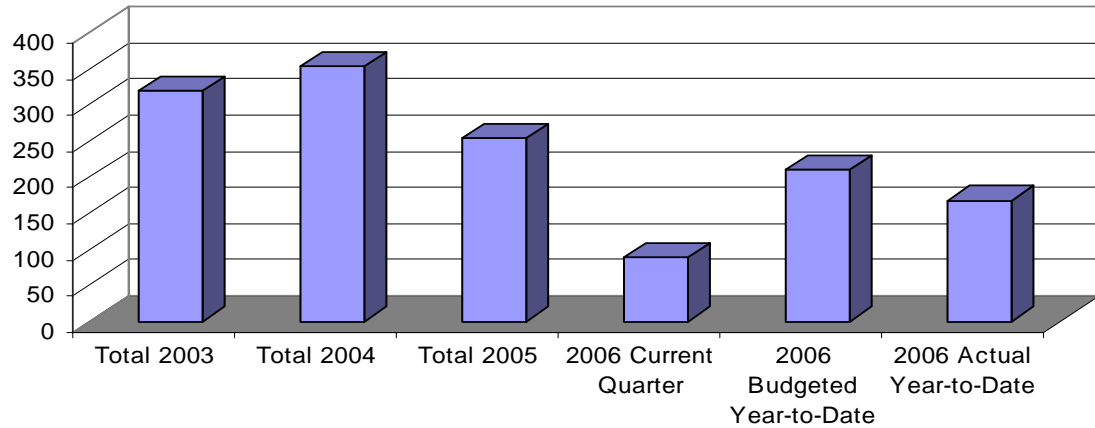


Building Services Division

HVAC Service Requests



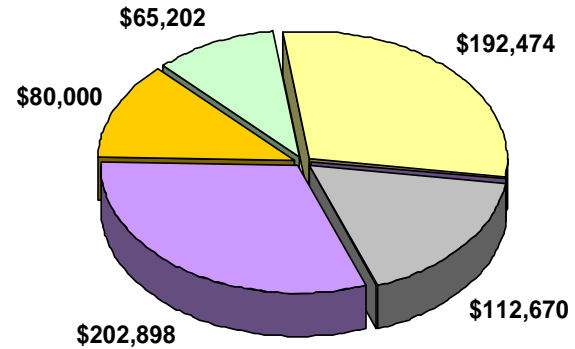
Plumbing & Electrical Requests



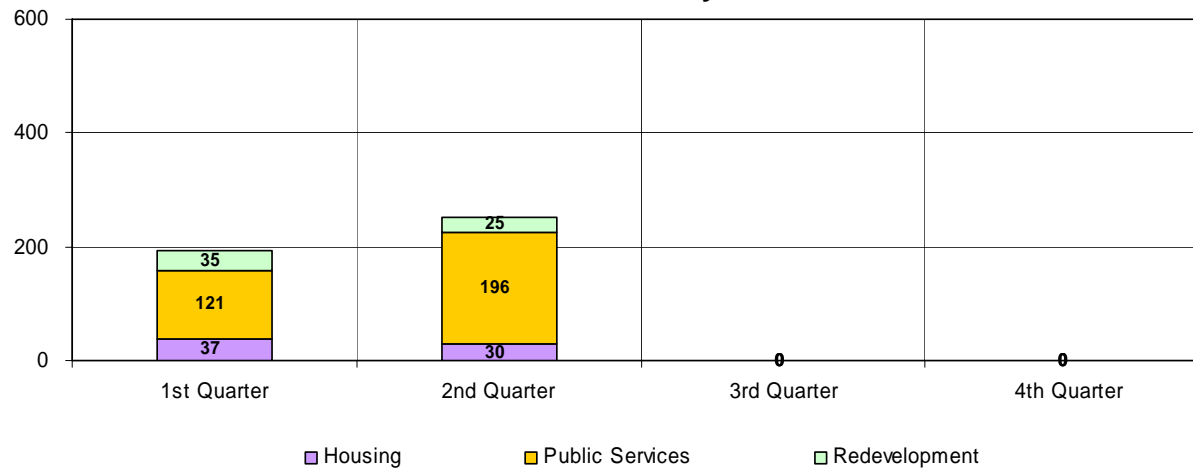
Community Resources & Code Compliance Division

**Community Development Block Grant Funding
2006 Grant Amount \$653,244**

Public Facilities	\$202,898
Public Housing Authority	\$26,300
Public Housing Authority	\$76,598
Seven Hills Center	\$100,000
Public Services	\$80,000
Youth Can	\$19,603
Transportation Program	\$10,000
NWA Comm. College	\$33,025
Boys and Girls Club	\$17,372
Redevelopment Program	\$65,202
Code Compliance	\$39,524
Land Acquisition	\$25,678
Housing Program	\$192,474
Administration	\$112,670

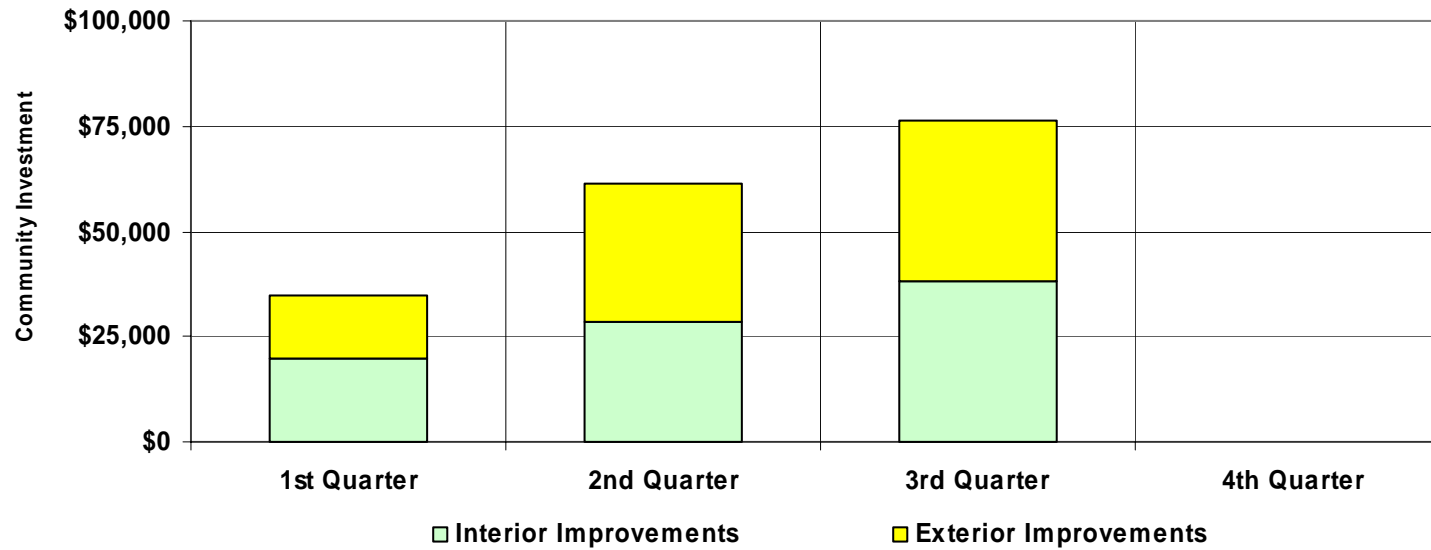


Residents Served by Quarter



Community Resources & Code Compliance Division

Reduction of Substandard Housing



Emergency Projects Completed

	QTR 1	QTR 2	QTR 3	QTR 4	Total
Wheelchair Ramp:	0	0	0	0	0
Roof:	1	2	3	0	6
HVAC:	0	1	0	0	1
Plumbing:	6	3	2	0	11
Electrical:	3	3	4	0	10
Total Projects:	10	9	9	0	28

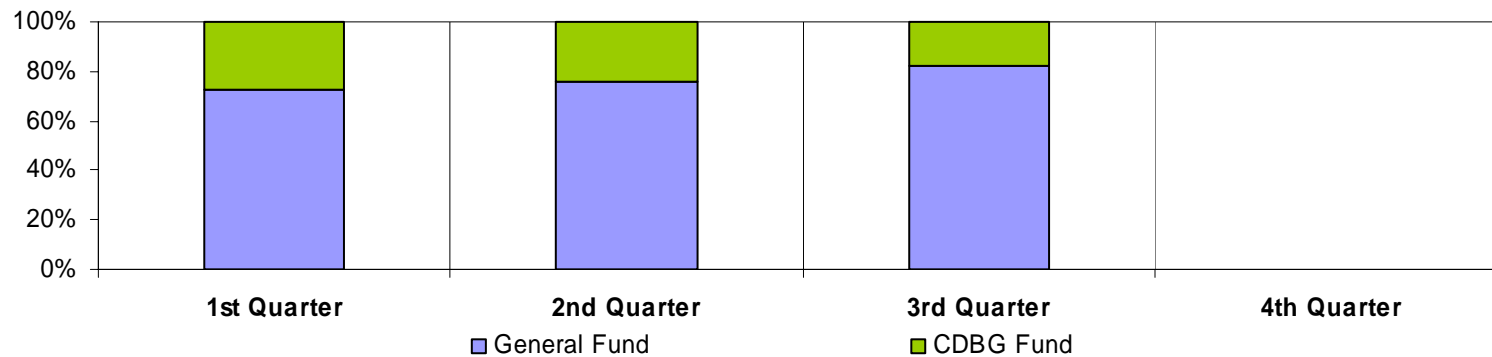
Community Resources

2006 Code Compliance Service Request Investigations

	QTR 1	% of	QTR 2	% of	QTR 3	% of	QTR 4	% of	Total
Unsightly or Unsanitary Conditions	329	21.8%	603	40.0%	575	38.2%	0	0.0%	1,507
Improper Storage of Vehicles	109	44.9%	70	28.8%	64	26.3%	0	0.0%	243
Unsafe/Unsecured Buildings	21	21.0%	45	45.0%	34	34.0%	0	0.0%	100
Zoning Issues	24	24.7%	34	35.1%	39	40.2%	0	0.0%	97
Sign and Banner Issues	269	25.2%	444	41.6%	354	33.2%	0	0.0%	1,067
Engineering Issues	9	75.0%	0	0.0%	3	25.0%	0	0.0%	12
Miscellaneous Inspections	85	48.3%	30	17.0%	61	34.7%	0	0.0%	176
Quarterly Totals	846	26.4%	1,226	38.3%	1,130	35.3%	0	0.0%	

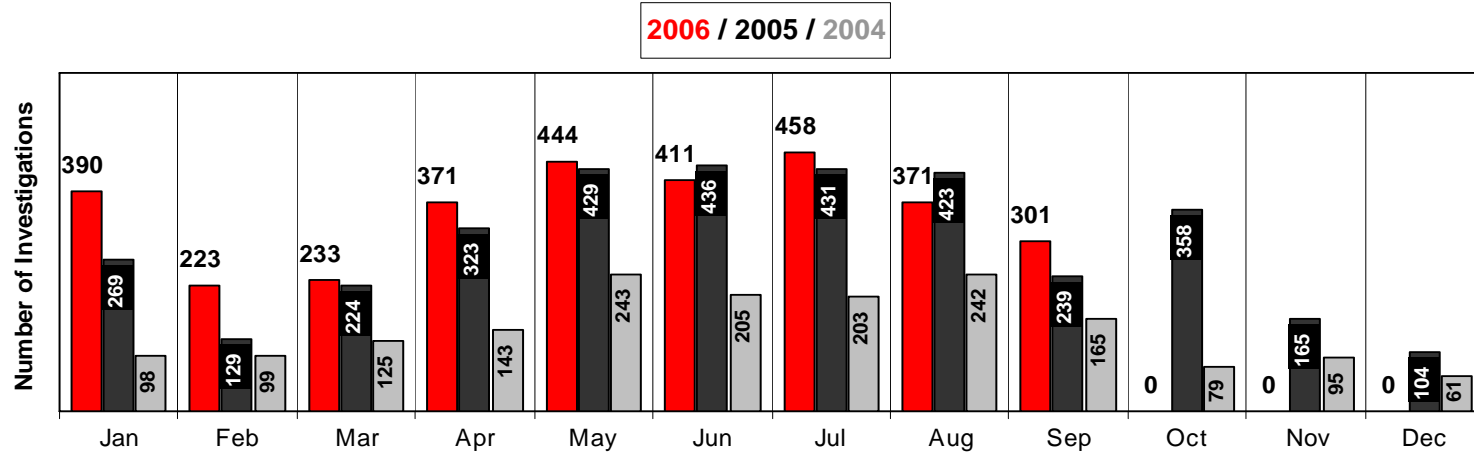
Total Service Requests 3,202

Program Funding Sources by Quarter

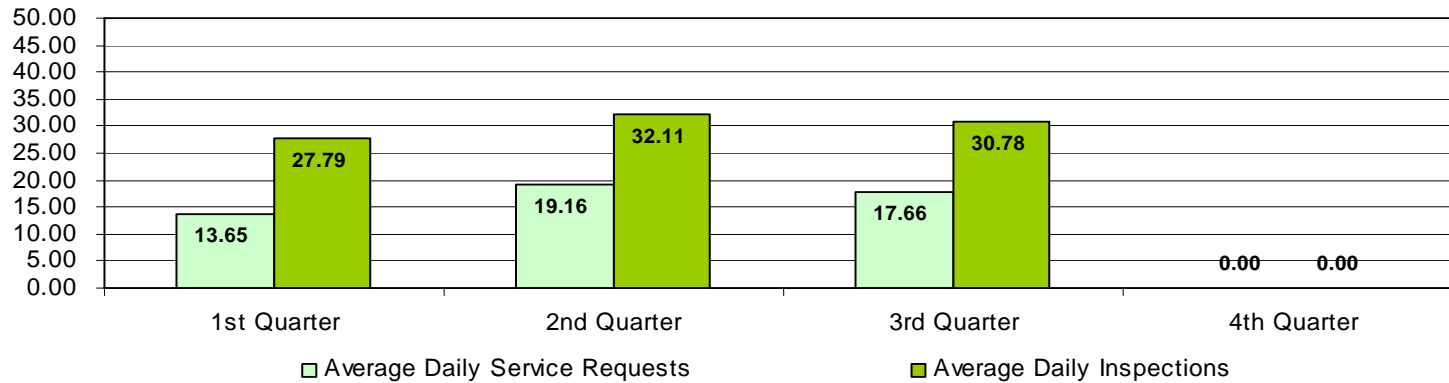


Community Resources & Code Compliance Division

Code Compliance Monthly Investigation Performance



Quarterly Code Compliance Daily Workload

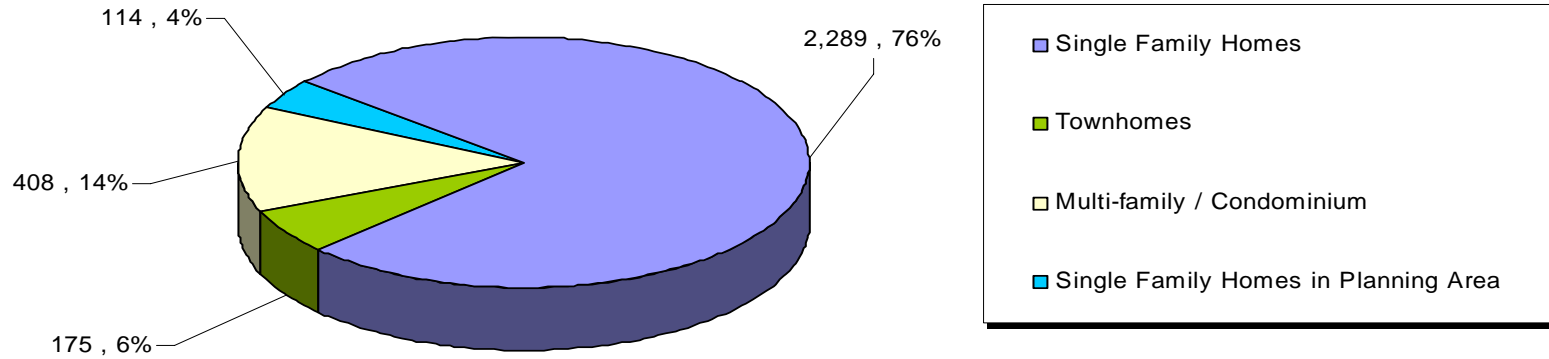


Current Planning Division

	QTR 1	% of	QTR 2	% of	QTR 3	% of	QTR 4	% of	Total
Single Family Homes	657	28.7%	1,030	45.0%	602	26.3%	0	0.0%	2,289
Townhomes	0	--	175	100.0%	0	0.0%	0	0.0%	175
Multi-family/Condominium	299	73.3%	44	10.8%	65	15.9%	0	0.0%	408
Single Family Homes in Planning Area	24	21.1%	34	29.8%	56	49.1%	0	0.0%	114
Quarterly Totals	980	32.8%	1,283	43.0%	723	24.2%	0	0.0%	

Total Dwelling Units 2,986

Estimated Dwelling Units Approved by the Planning Commission



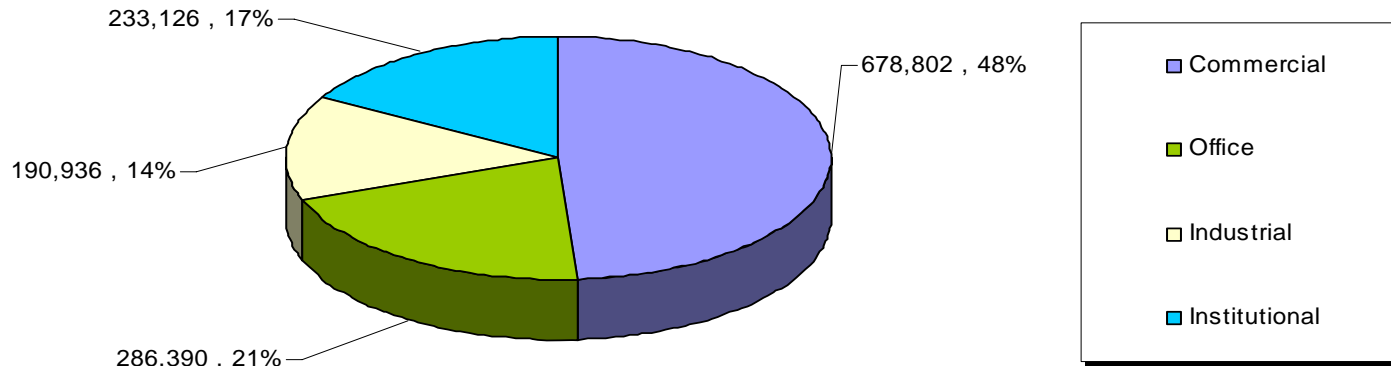
*The numbers herein do not represent actual building permits issued or construction permits granted.

Current Planning Division

	QTR 1	% of	QTR 2	% of	QTR 3	% of	QTR 4	% of	Total
Commercial	436,218	64.3%	150,305	22.1%	92,279	13.6%	0	0.0%	678,802
Office	57,443	20.1%	139,328	48.6%	89,619	31.3%	0	0.0%	286,390
Industrial	48,936	25.6%	103,000	53.9%	39,000	20.4%	0	0.0%	190,936
Institutional	96,168	41.3%	136,958	58.7%	0	0.0%	0	0.0%	233,126
Quarterly Totals	638,765	46.0%	529,591	38.1%	220,898	15.9%	0	0.0%	

Total Square Footage 1,389,254

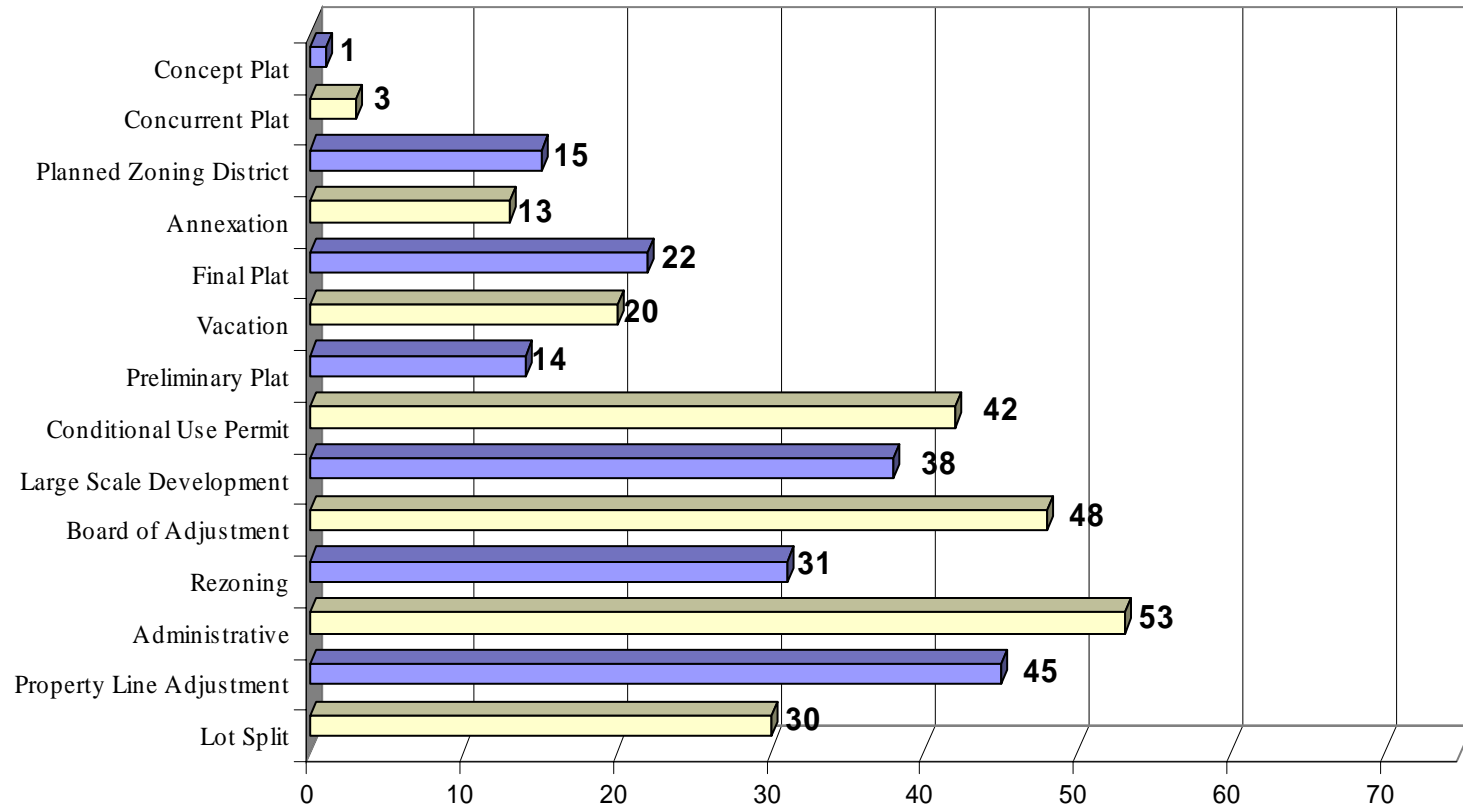
Non-Residential Square Footage Approved by the Planning Commission



*The numbers herein do not represent actual building permits issued or construction permits granted.

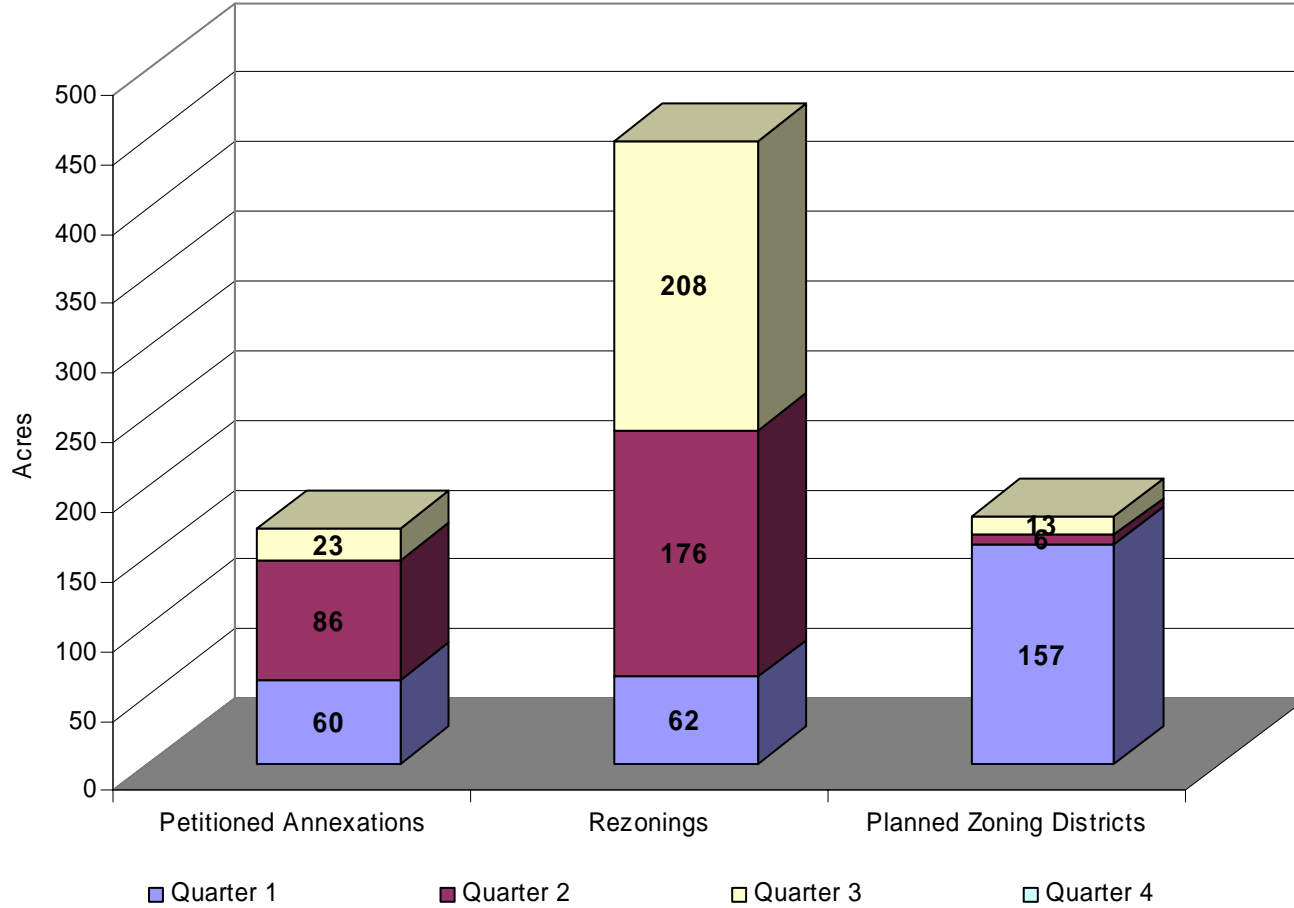
Current Planning Division

Planning Division Submittals



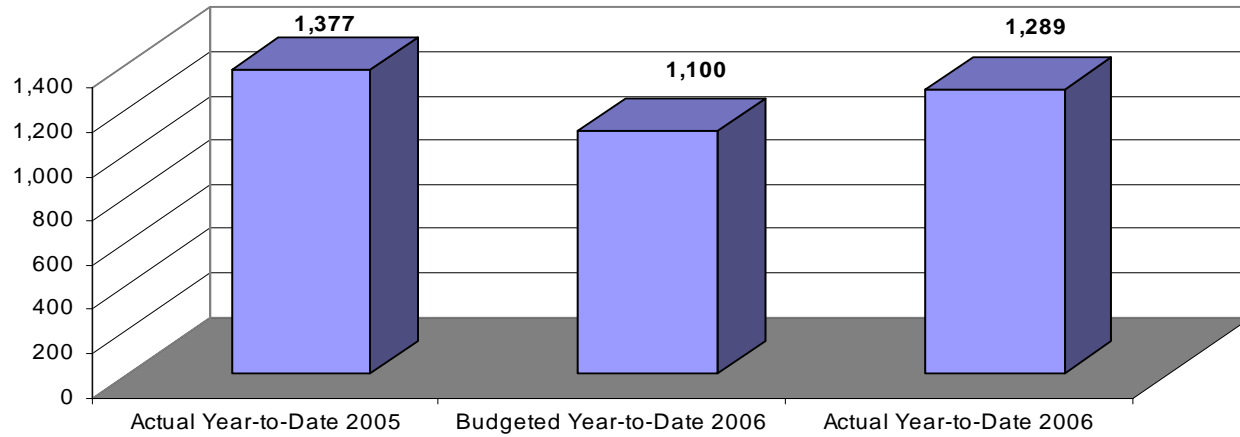
Current Planning Division

Estimated Annexation, Rezoning and Planned Development District Acres Forwarded by the Planning Commission

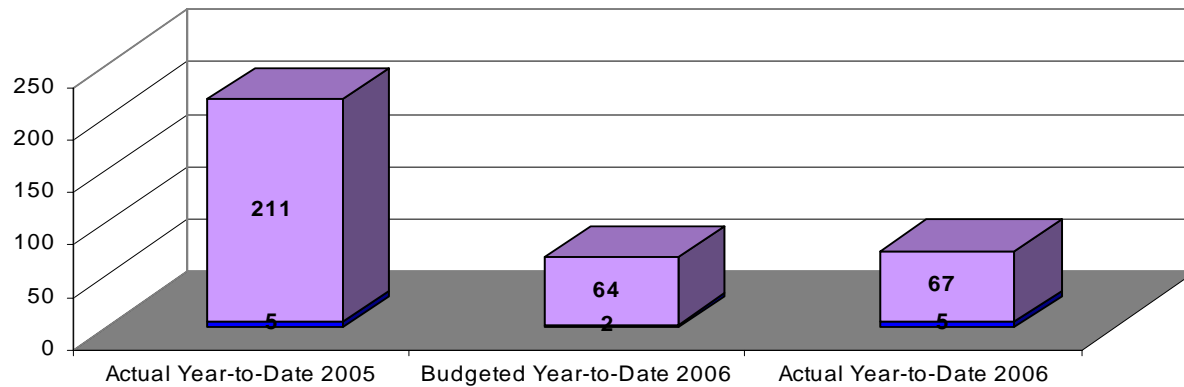


Engineering Division

Sidewalk Inspections



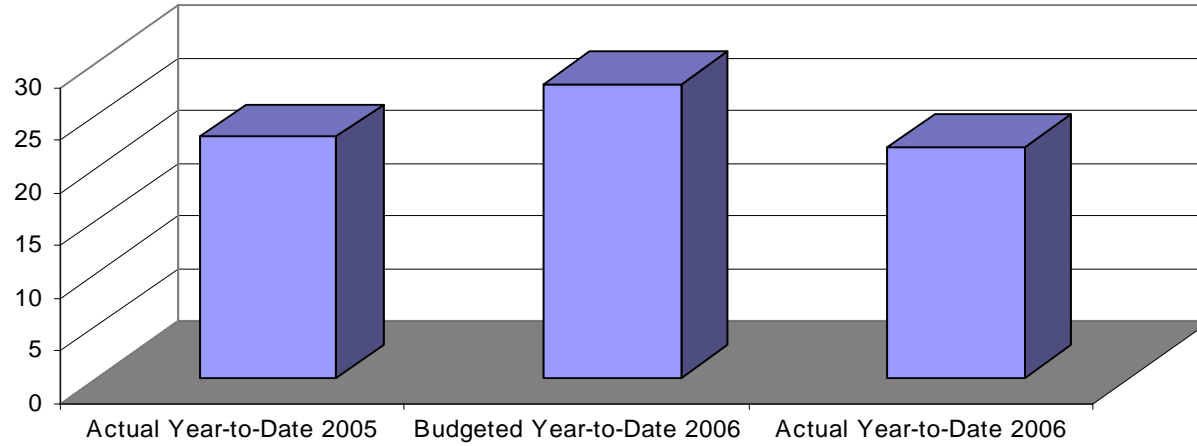
Public Land/Easement Acquisitions



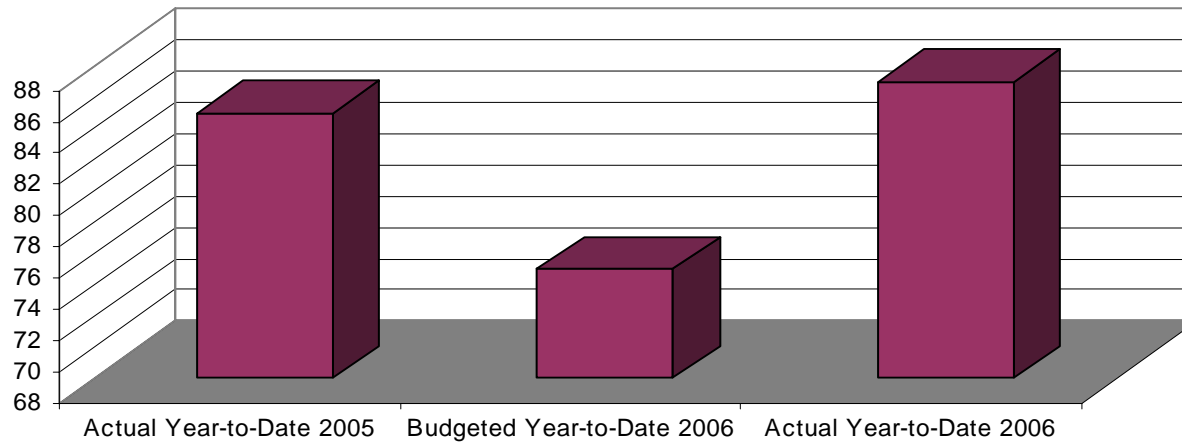
■ Acquisition/Disposal of Property ■ Acquisition of Easements/ROW

Engineering Division

Floodplain Development Permits Issued

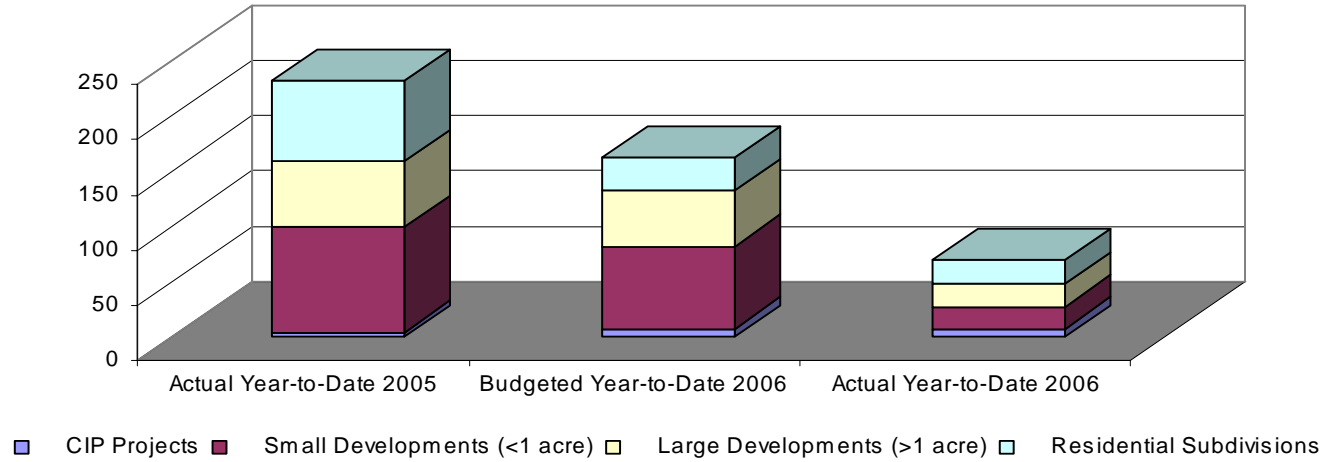


Grading Permits Issued

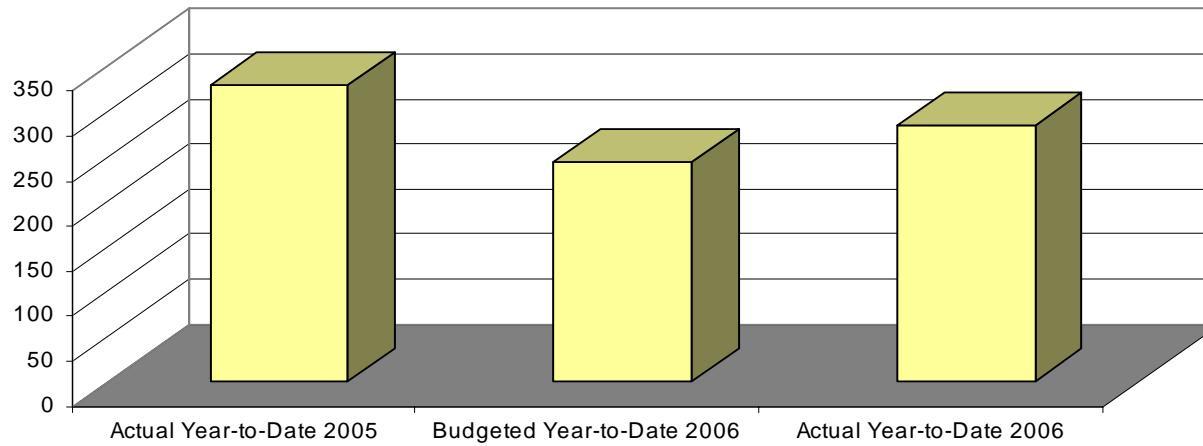


Engineering Division

Public Works Inspections

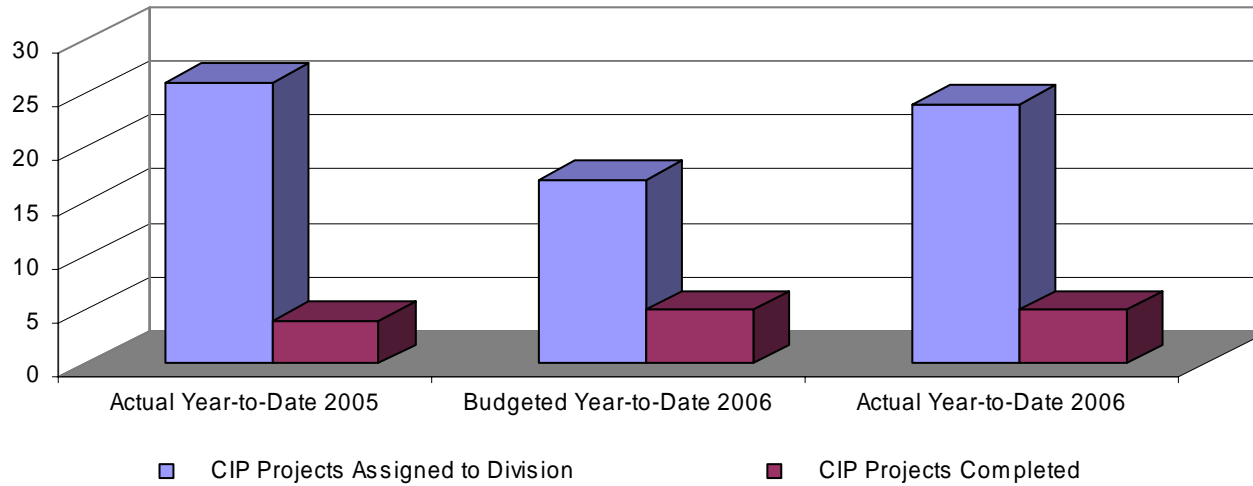


Construction Plans Reviewed

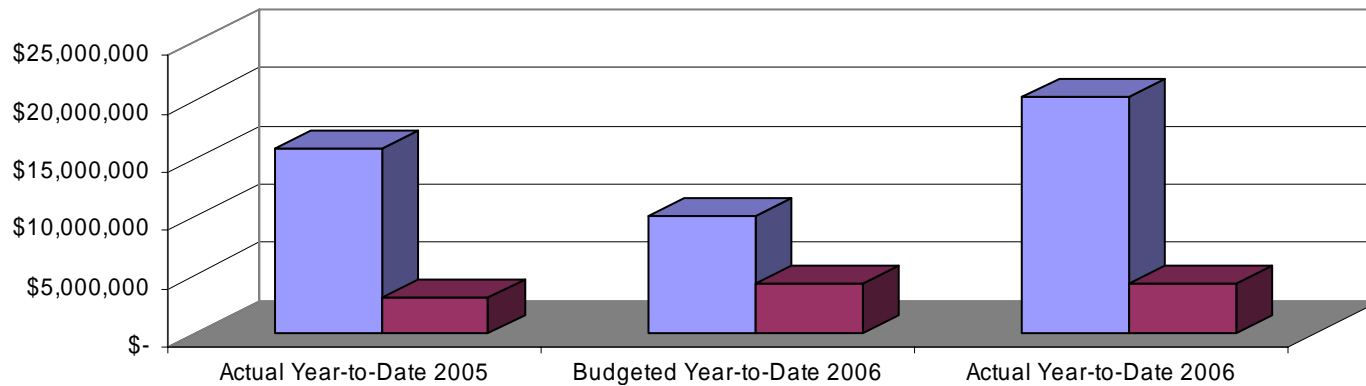


Engineering Division

Comparison of CIP Projects Assigned to Projects Completed

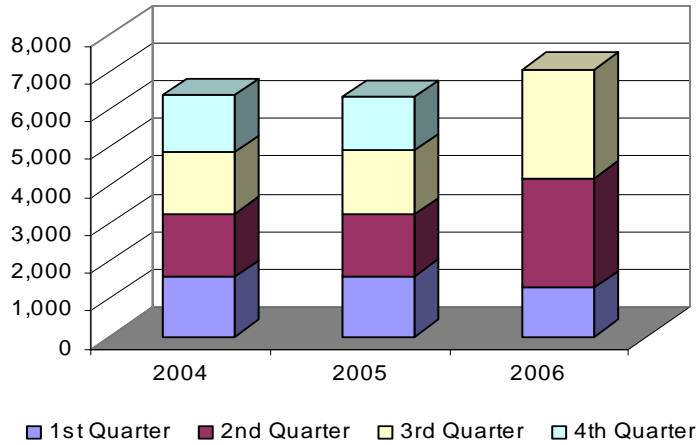


Comparison of Value of CIP Projects Assigned to Projects Completed

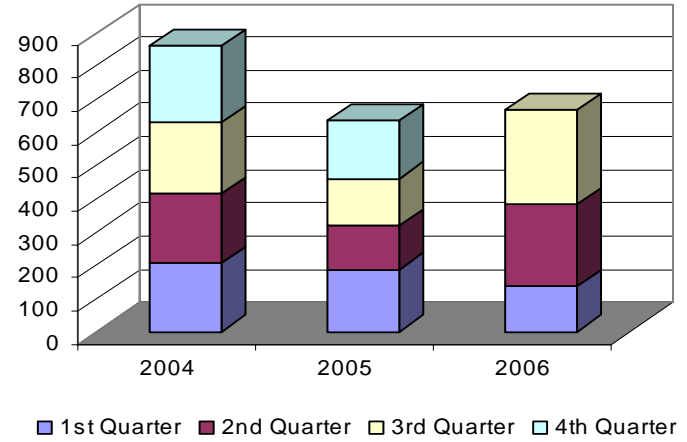


Fleet Operations Division

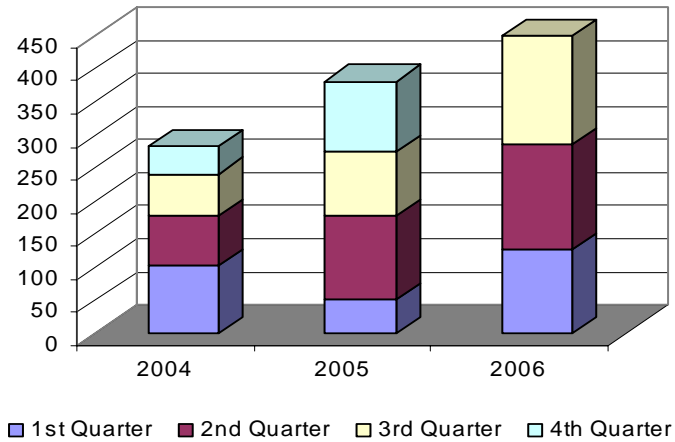
Repair Requests



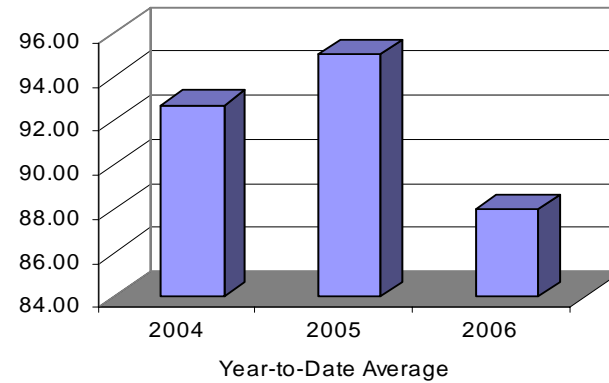
PM Generated Repairs



Number of Road Failures



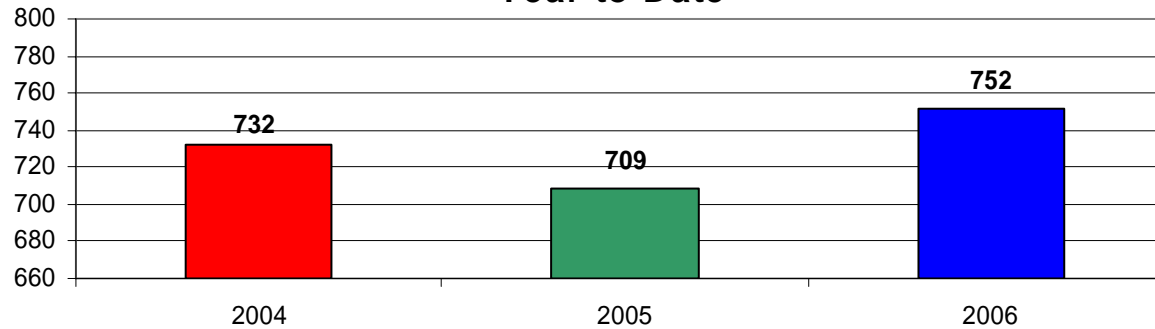
% of Hours Worked Charged to Vehicles



Human Resources Division

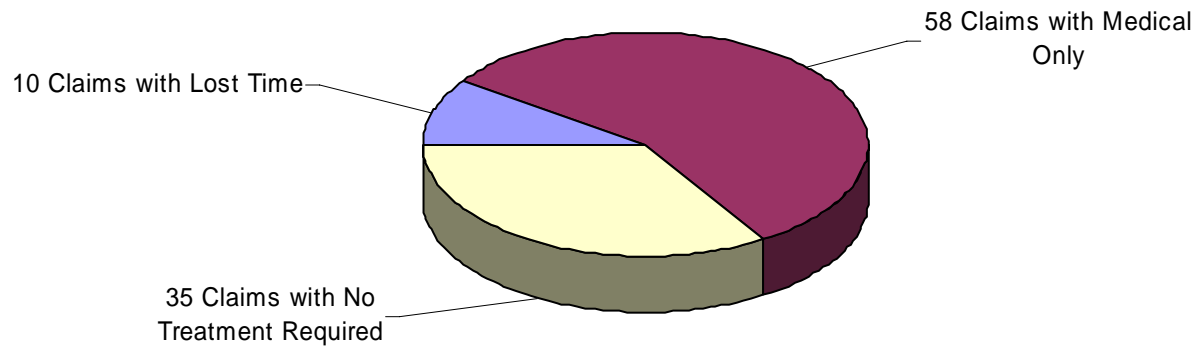
Human Resources Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
New Hires	163	165	173
Employees Newly Eligible for 401 & 457 Plans	50	55	65
Insurance Products Offered	10	10	10
Civil Service Applications Processed	352	120	121
Supervisory, Safety & Educational Training Opportunities	13	3	0
Workers' Comp Incidents/Injuries Receiving Medical Treatment	68	70	88
% of Voluntary Turnover	10.1	10.0	10.7
% of Eligible Employees Participating in 401 & 457 Plans	92	90	90
% of Insurance Billings Paid within 30 Days	100	100	100
Civil Service Applicants Certified for Hire	71	45	47
% of Employees Rating Training as Meeting Their Needs	86	85	N/A
% of Workers' Comp Incidents/Injuries that are Medical Only	85	85	82

Number of Active Employees Year-to-Date

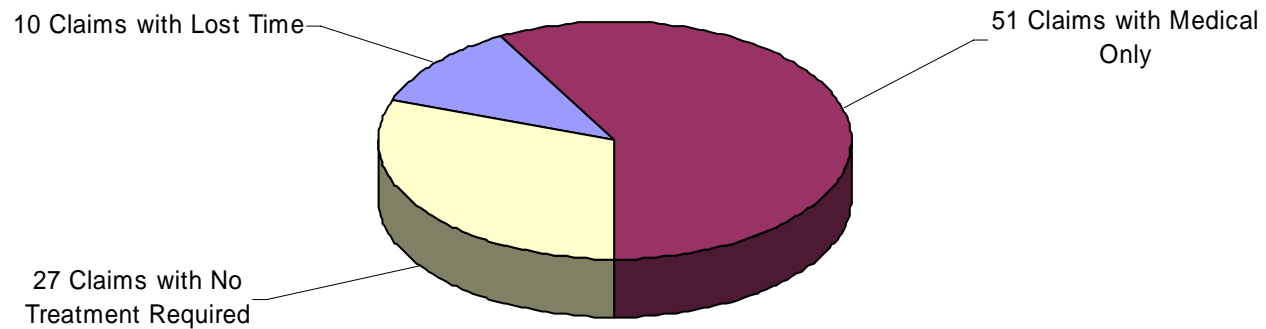


Human Resources Division

Types of Workers' Compensation Claims Year-to-Date 2005



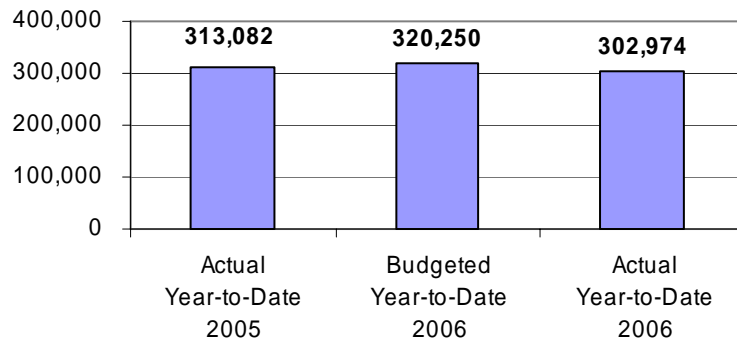
Types of Workers' Compensation Claims Year-to-Date for 2006



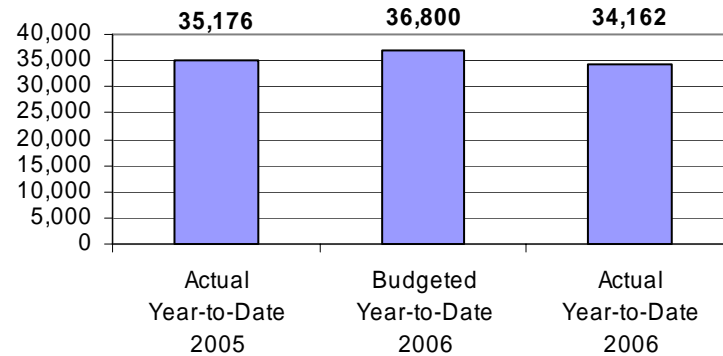
Meter Operations Division

Meter Operations Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Meters Read	313,082	320,250	302,974
Meters in System	35,176	36,800	34,162
Service Orders Requested	24,193	23,250	24,781
Delinquent Accounts/Shut Offs	5,062	5,325	5,286
Delinquent Accounts/Reconnects	4,067	4,275	4,148
% of Meters Re-Read	6.80	6.70	4.89
% of Meters Changed Out	3.29	6.00	1.46
% of Delinquent Accounts Shut Off	22.00	23.50	20.63
Meters Tested	1,760	2,850	995
Meters Repaired	1,161	2,250	491
Water Accounts Surveyed/Backflow Devices Recorded	548 / 301	450 / 262	704 / 349
Backflow Devices Tested	15.00	60.00	83.00
% of Meters Tested	5.02	7.50	2.91
% of Meter Repaired	3.82	6.00	1.44
% of Water Accounts Notified to Install Required Backflow Devices	24.30	25.00	27.66

Meters Read

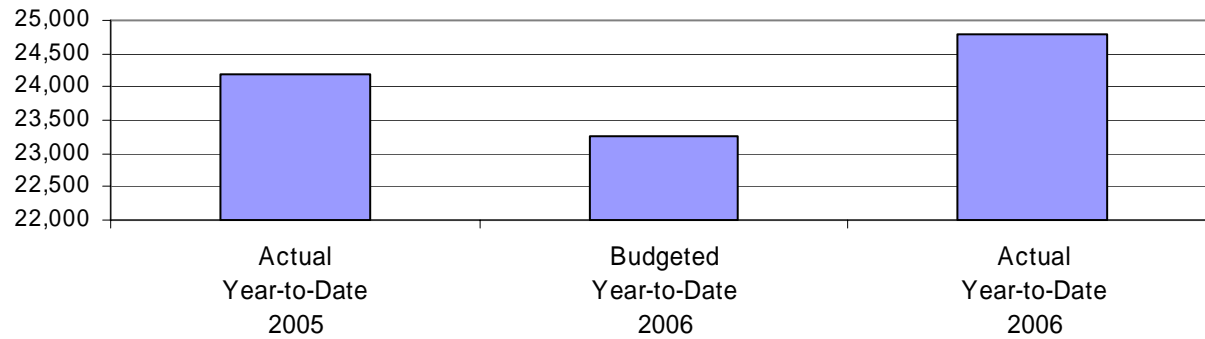


Meters in System

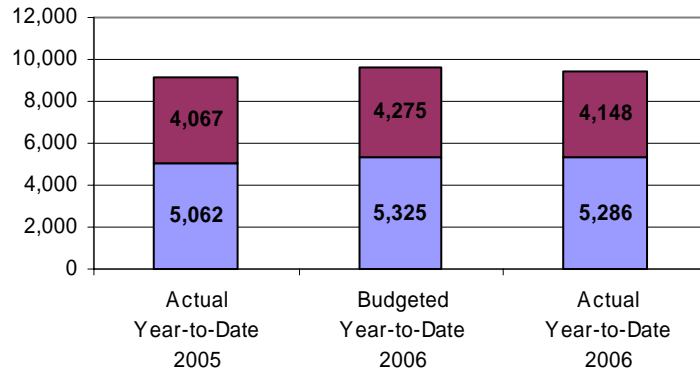


Meter Operations Division

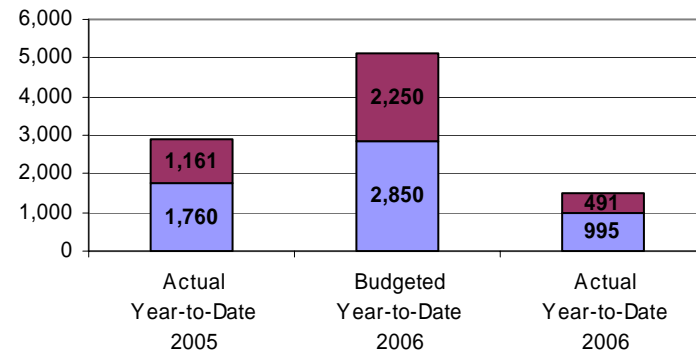
Service Orders Requested



Delinquent Accounts



Meters Tested and Repaired

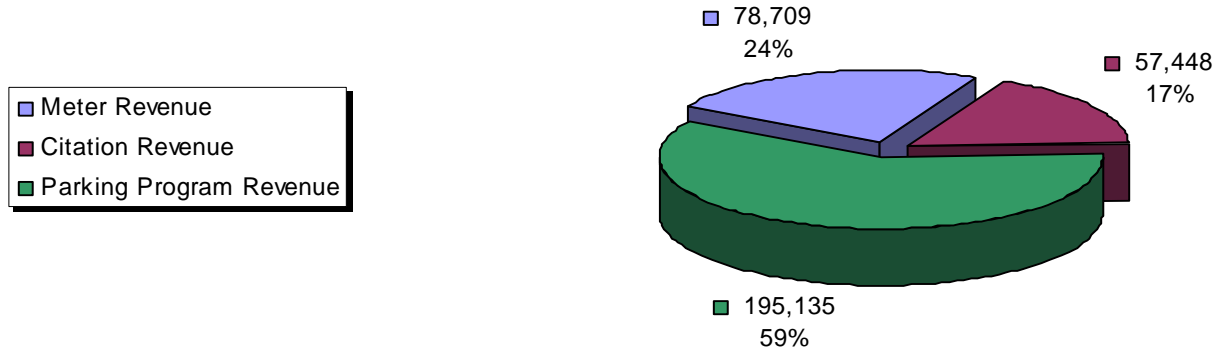


■ Delinquent Accounts/Shut Offs ■ Delinquent Accounts/Reconnects

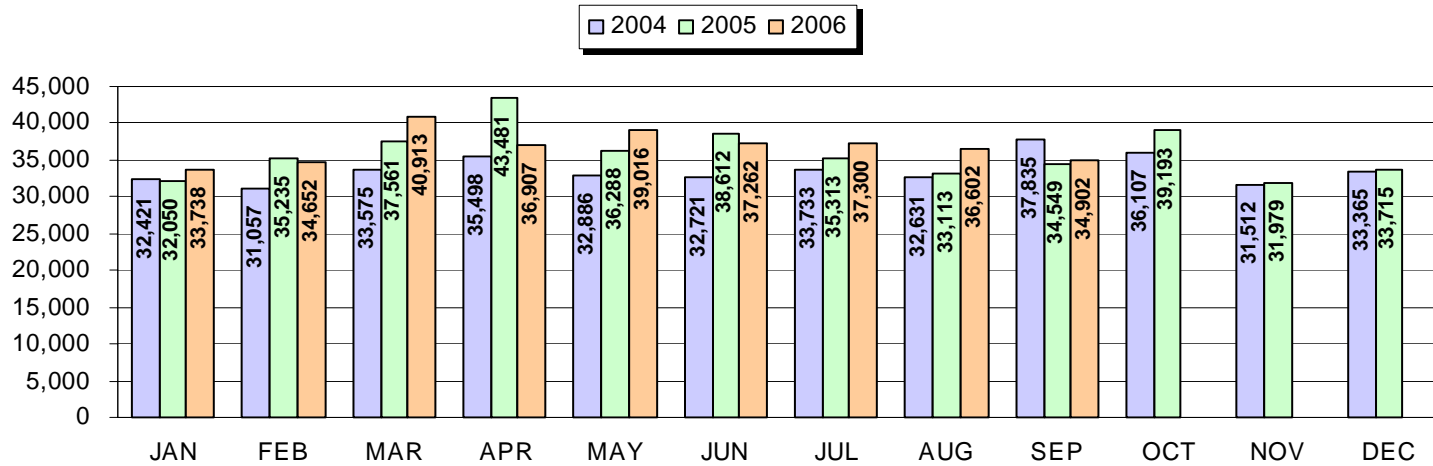
■ Meters Tested ■ Meters Repaired

Parking & Telecommunications Division

2006 Year-to-Date Revenue - Parking Management Revenue Type and % of Total

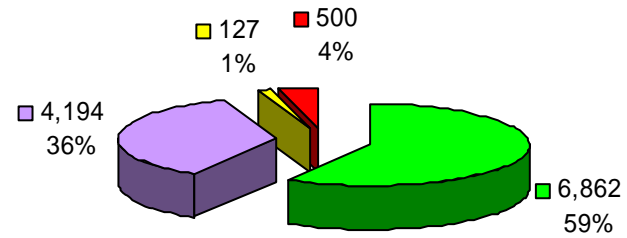
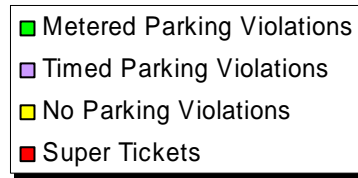


2004-06 Monthly Revenue - Parking Management

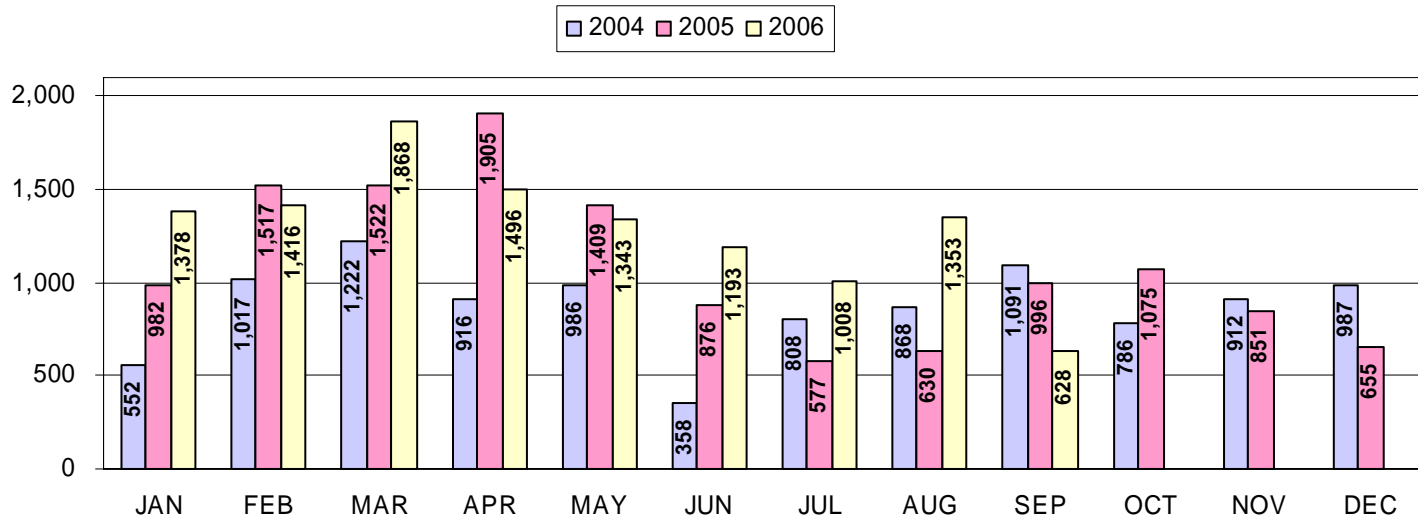


Parking & Telecommunications Division

2006 Year-to-Date Citations - Parking Management Citation Type and % of Total

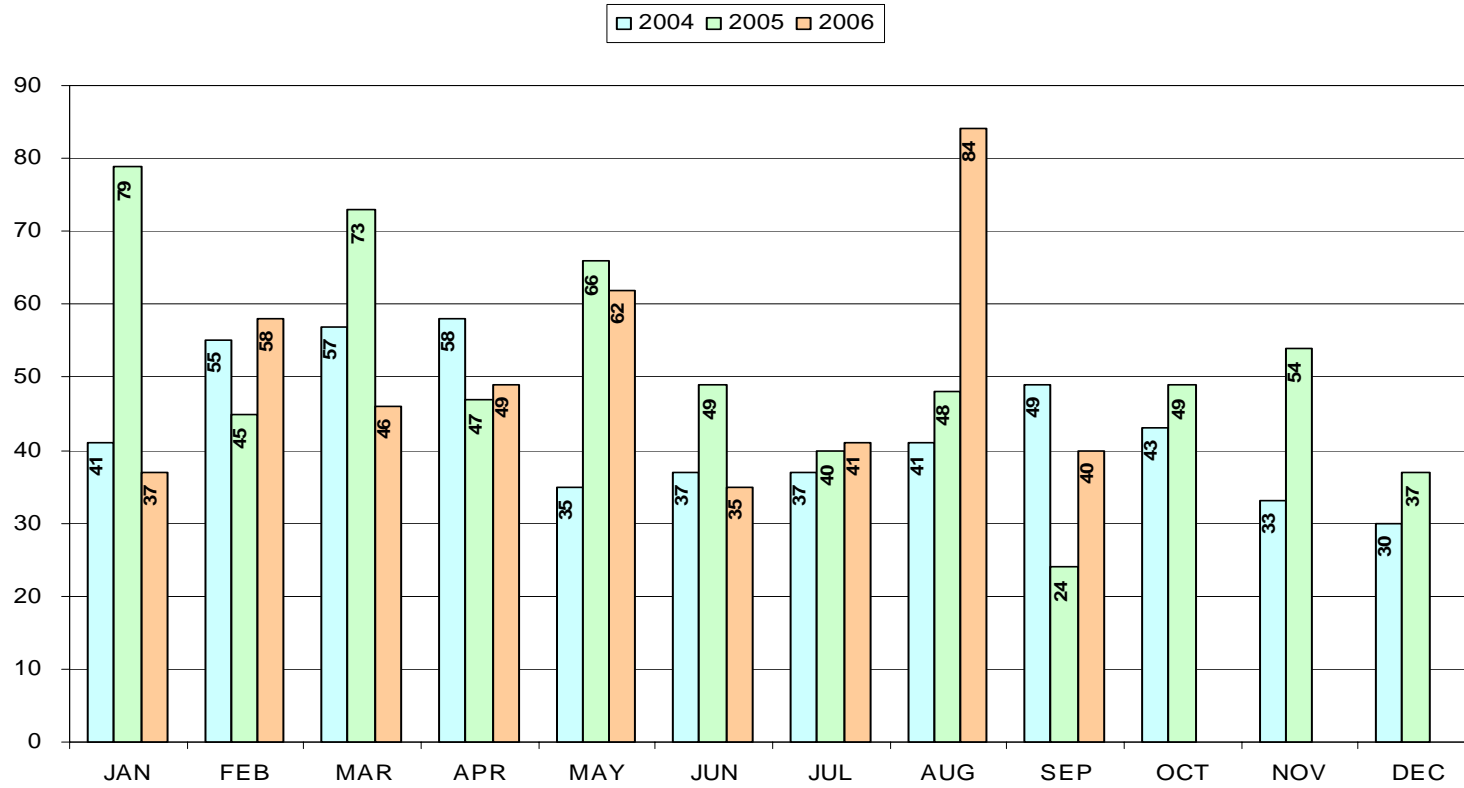


2004-06 Monthly Citations - Parking Management



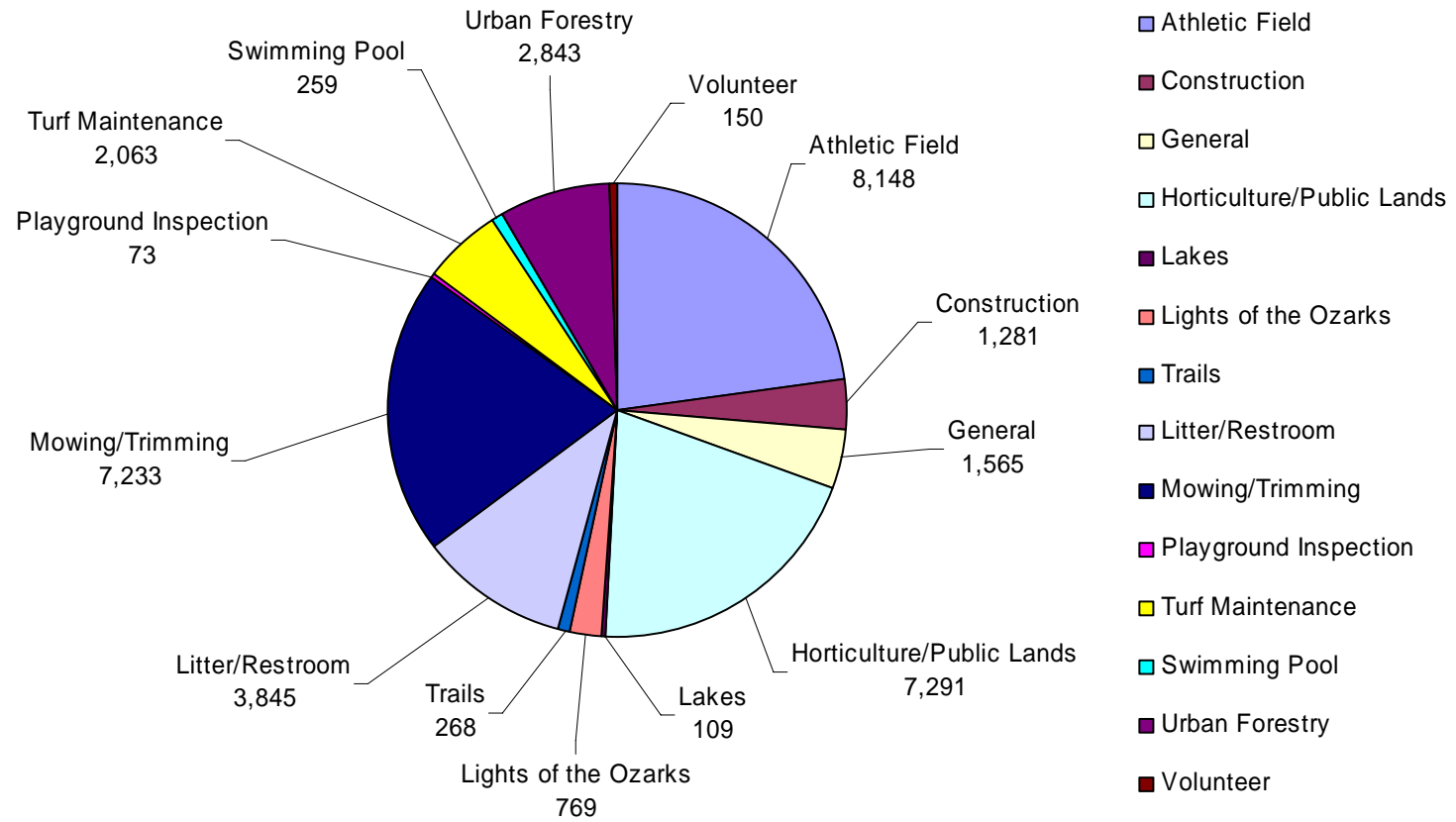
Parking & Telecommunications Division

2004-06 Monthly Service Requests - Telecommunications



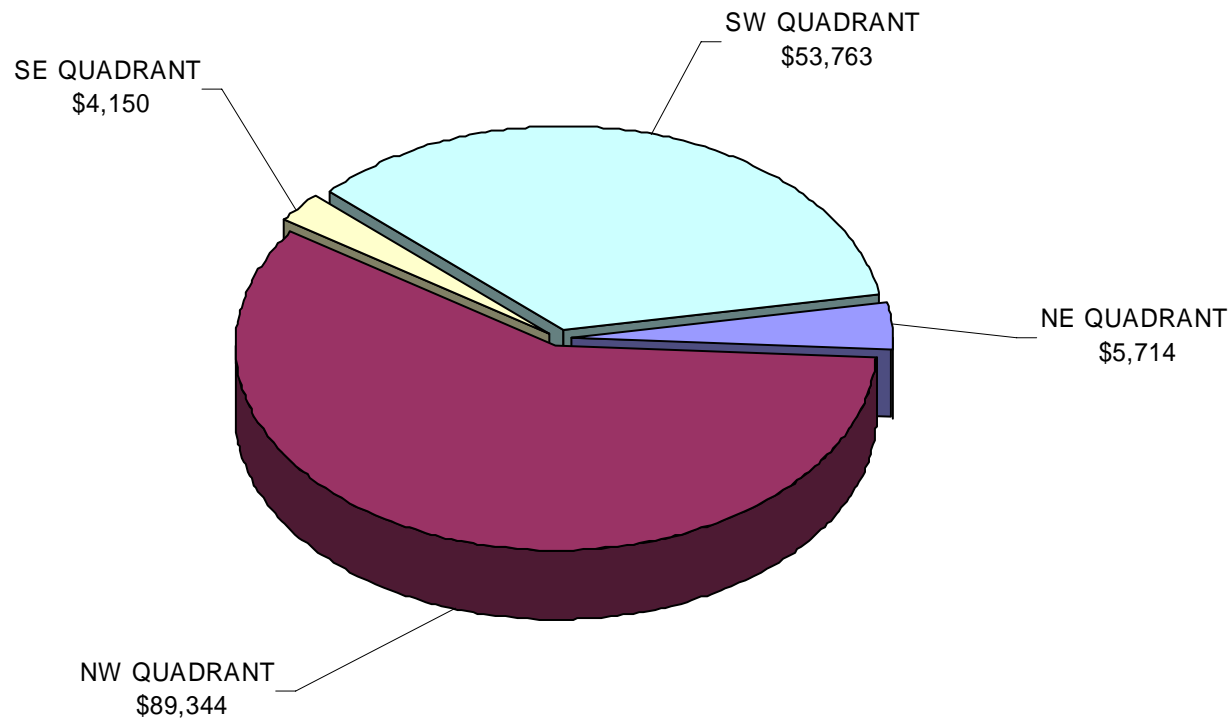
Parks & Recreation Division

Maintenance Hours Summary



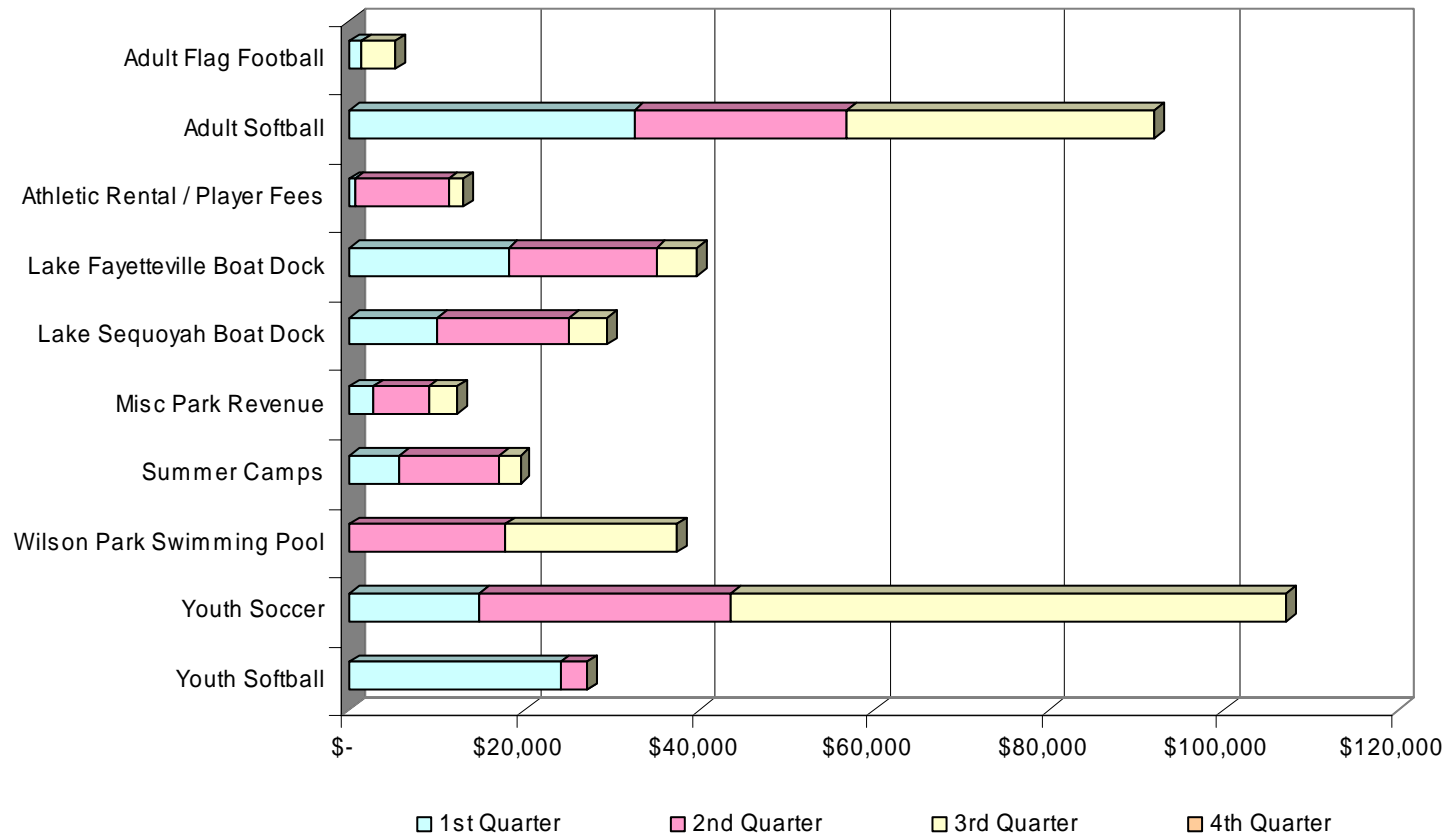
Parks & Recreation Division

Park Land Dedication Revenues



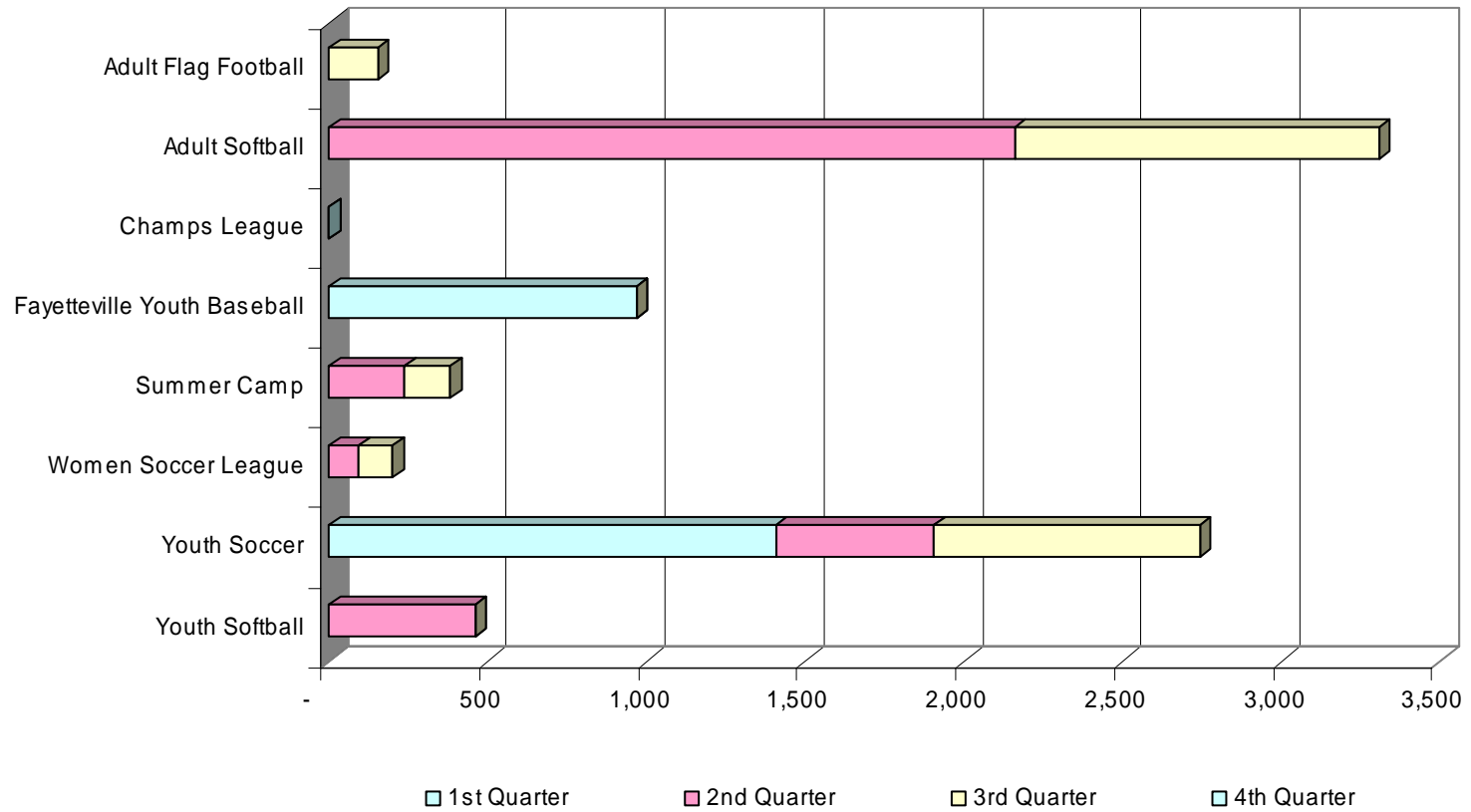
Parks & Recreation Division

Recreation Program Revenues



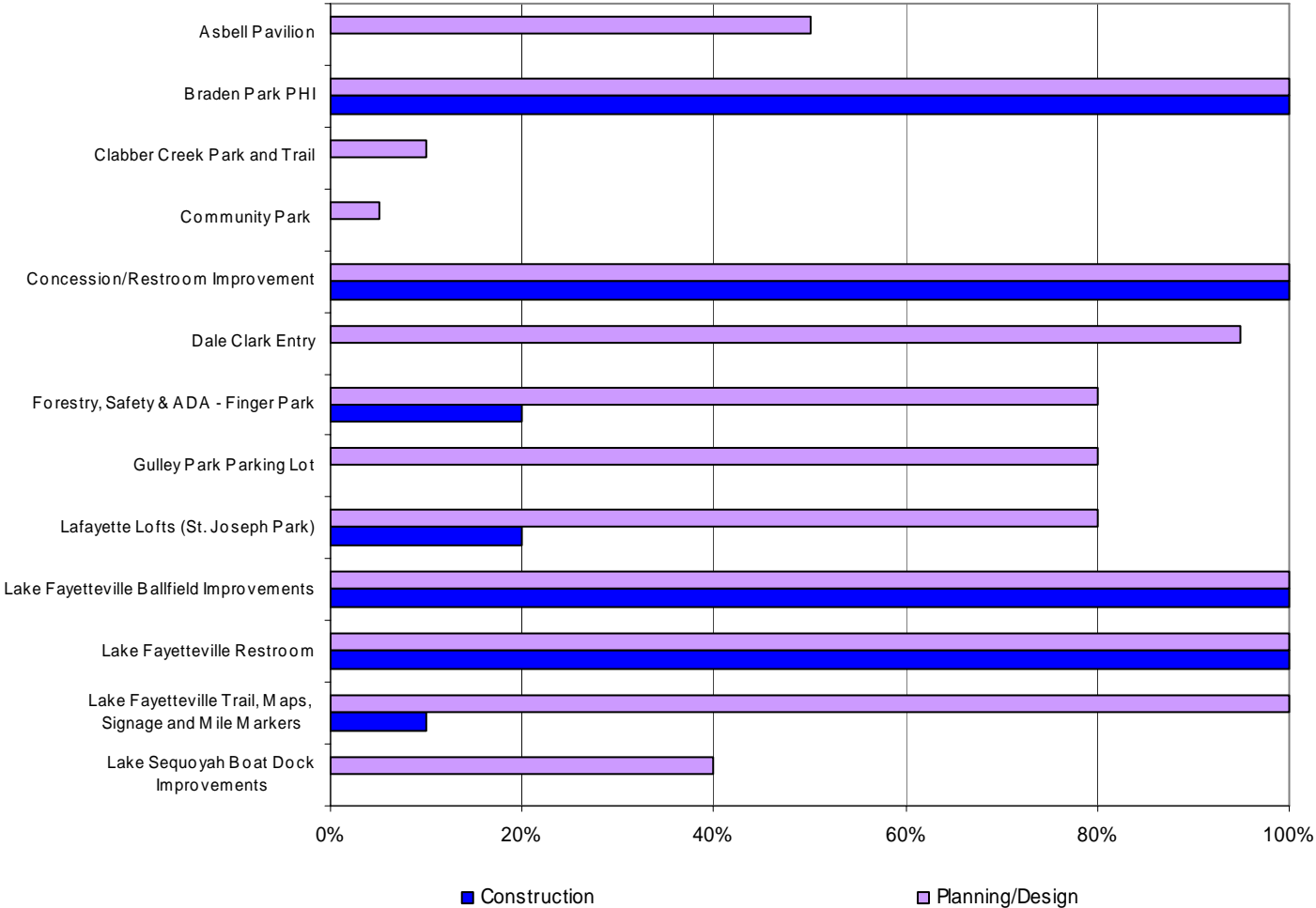
Parks & Recreation Division

Recreation Program Participation

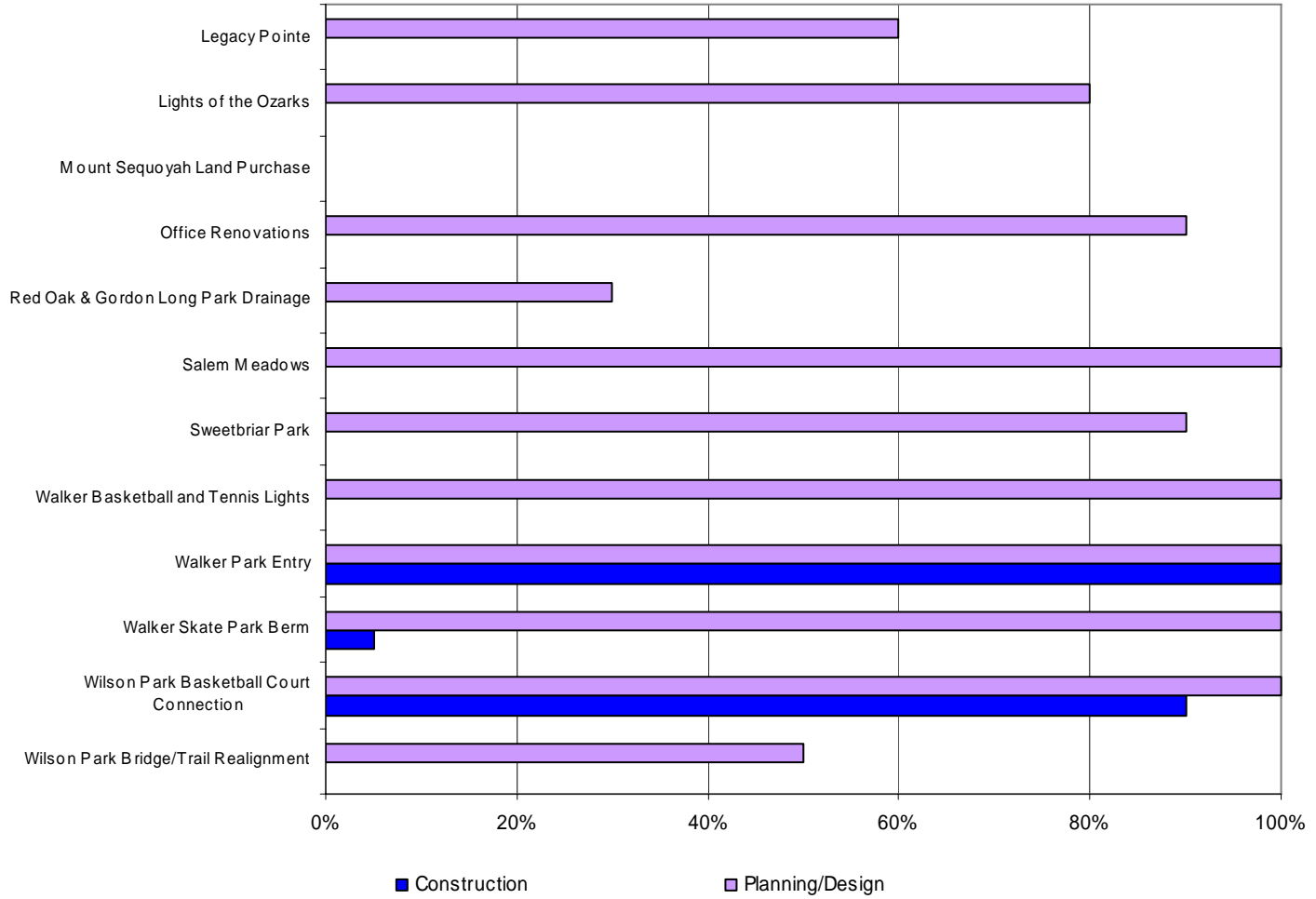


Parks & Recreation Division

CIP Status Summary

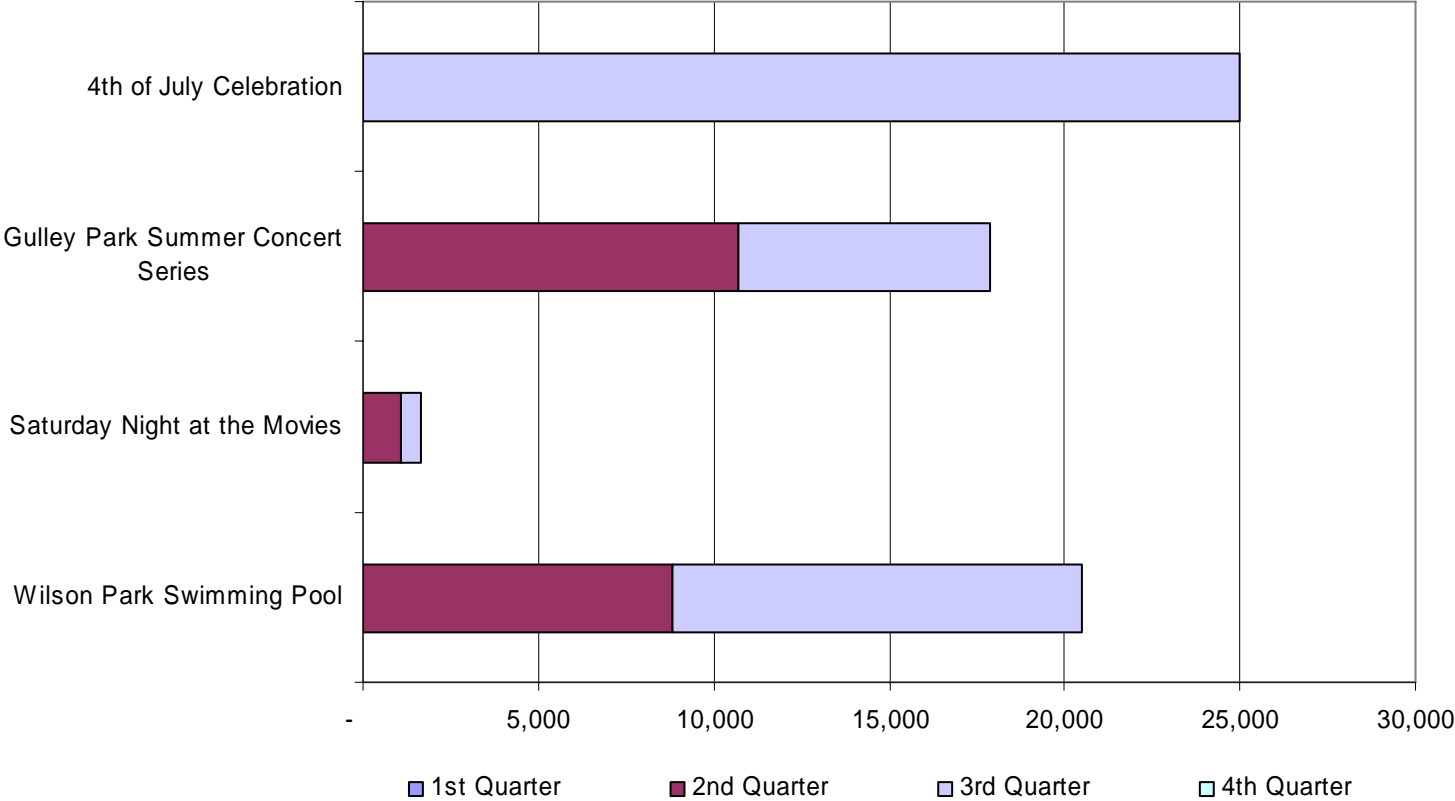


Parks & Recreation Division CIP Status Summary - Continued



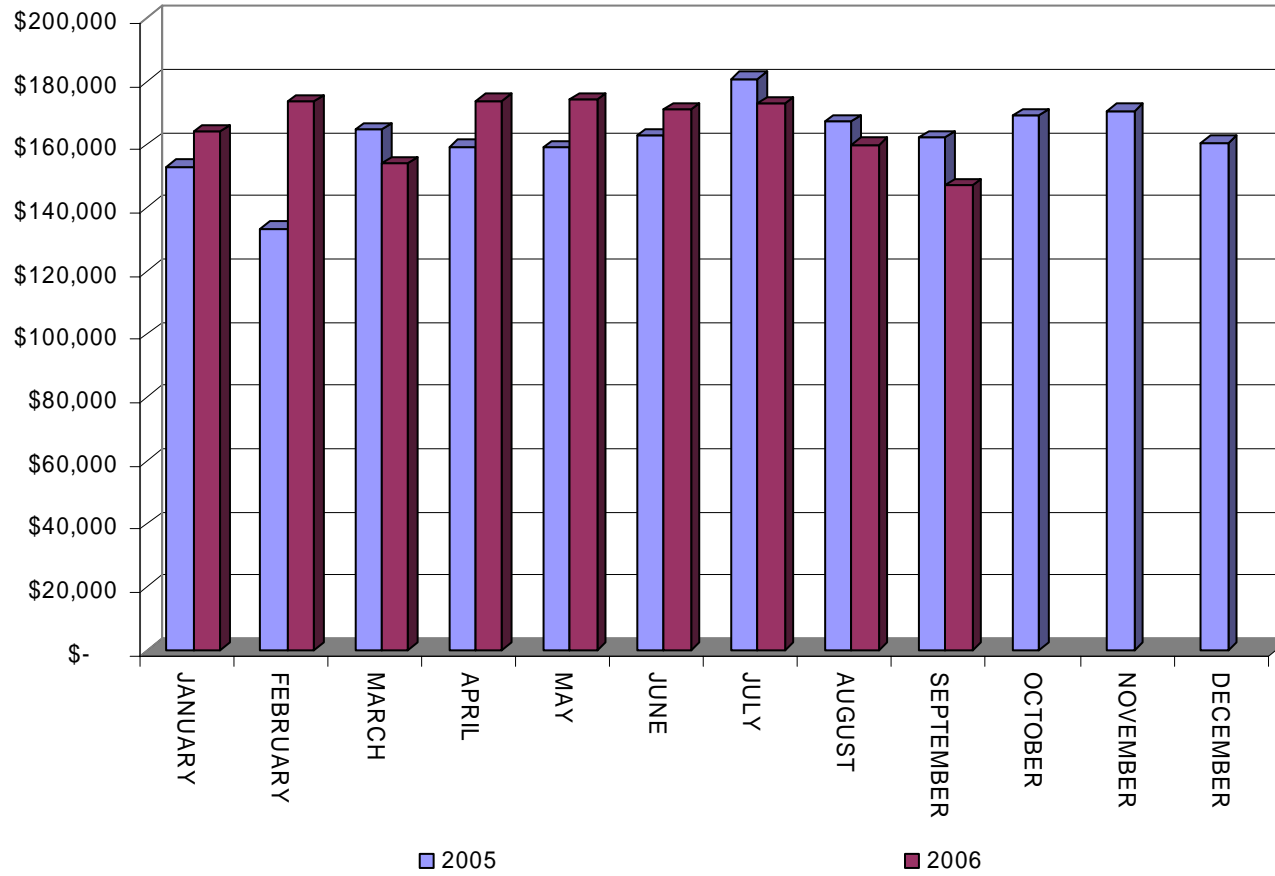
Parks & Recreation Division

Special Events Participation



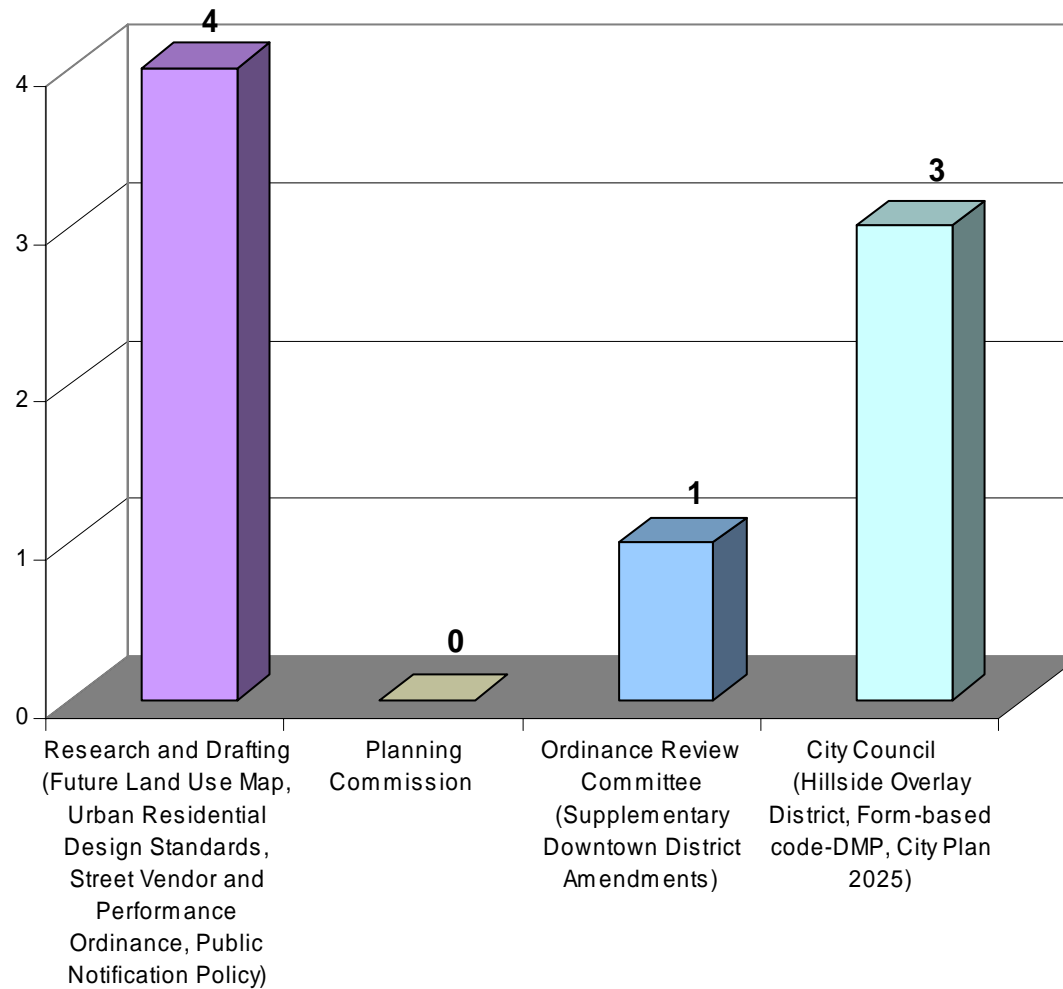
Parks & Recreation Division

HMR Comparison



Planning & Development Management Division

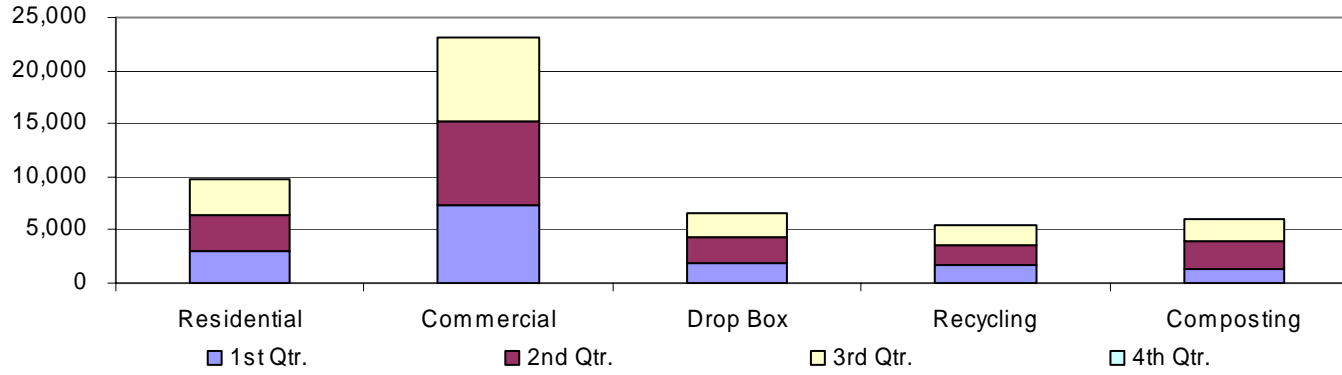
Number of Ordinances at Each Phase of the Process



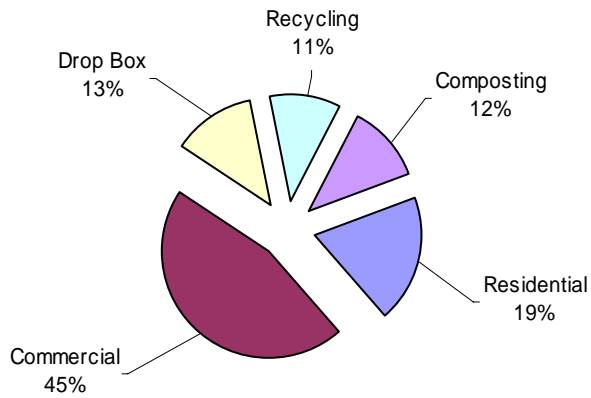
Solid Waste & Recycling Division

2006 Tonnage, Percentage of Waste Stream, and Revenues by Programs

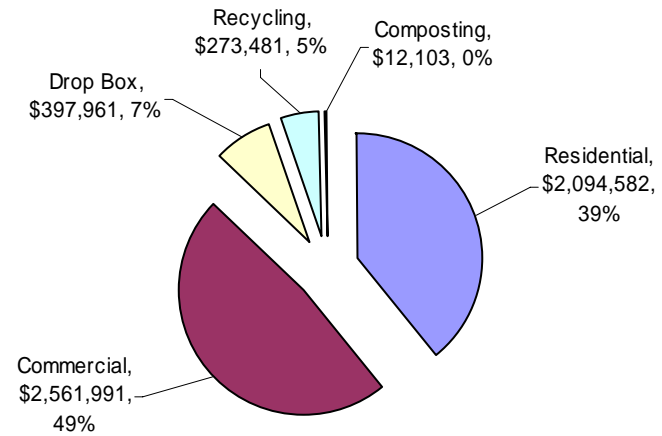
Tonnage by Program 2006 Year-to-Date



Program Percentage of Waste Stream 2006 Year-to-Date

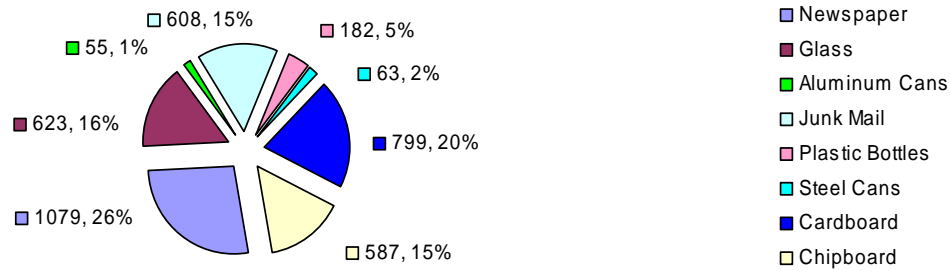


Program Revenues 2006 Year to Date



Solid Waste & Recycling Division

Recyclables Sold - Tons and Percentages

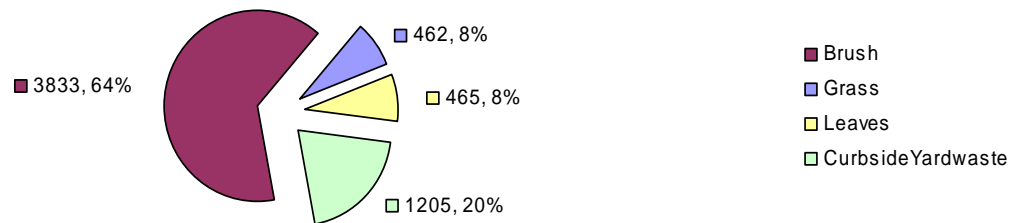


Composting Program Revenues	
Mulch	\$2,219.00
Compost Bulk	\$9,500.00
Compost Bags	\$384.00

Compost Spring Sale	n/a
Compost Bags Sold	96

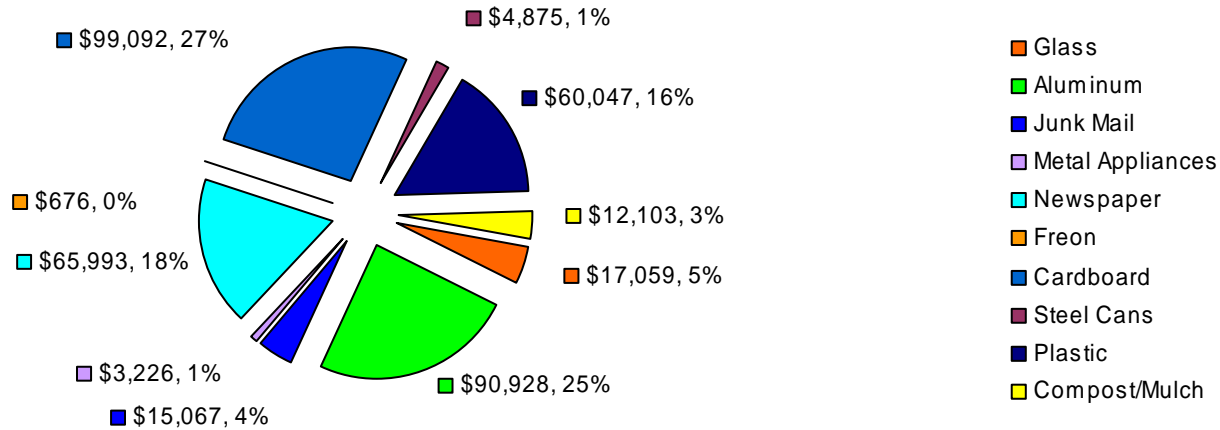
Mulch revenues include free give-aways in January, February, March

Yardwaste Collected by Tonnage and Percentage

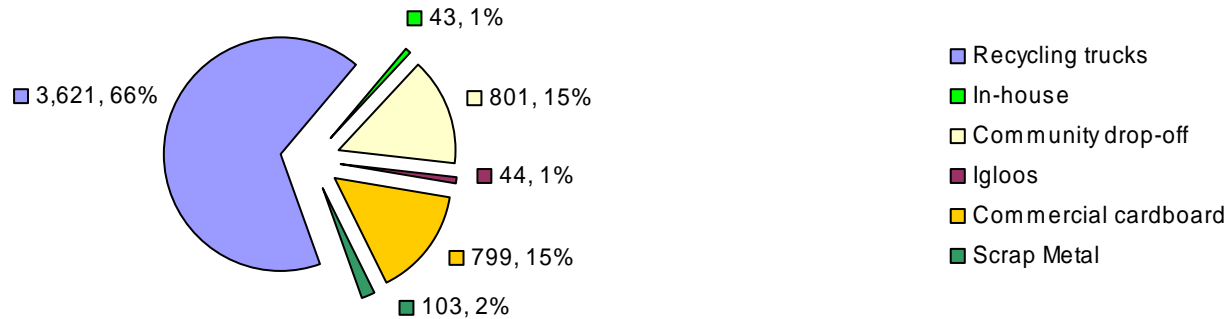


Solid Waste & Recycling Division

2006 Recycling Revenue and Percent



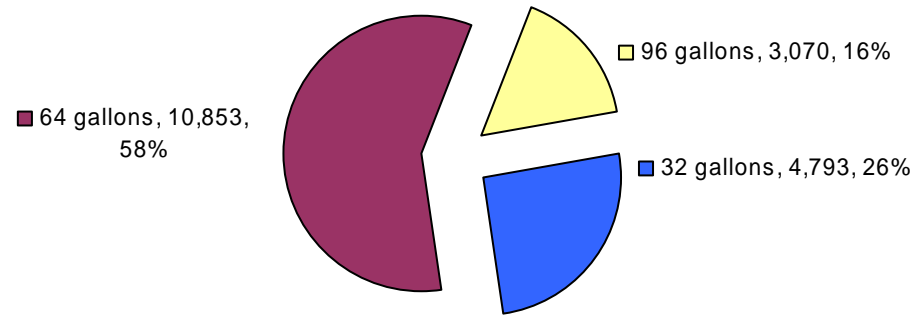
2006 Recycling Collections - Tons and Percentages



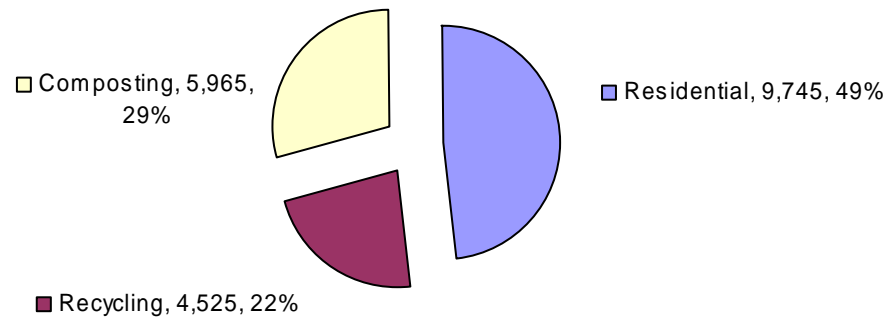
Collections consist of: In-house collections from schools and government offices, Igloos from commercial settings, Commercial cardboard from dumpster service, Community drop-off at Happy Hollow Road, and Curbside collections from normal routes.

Solid Waste & Recycling Division

Residential Pay-As-You-Throw Cart Count and Percentage

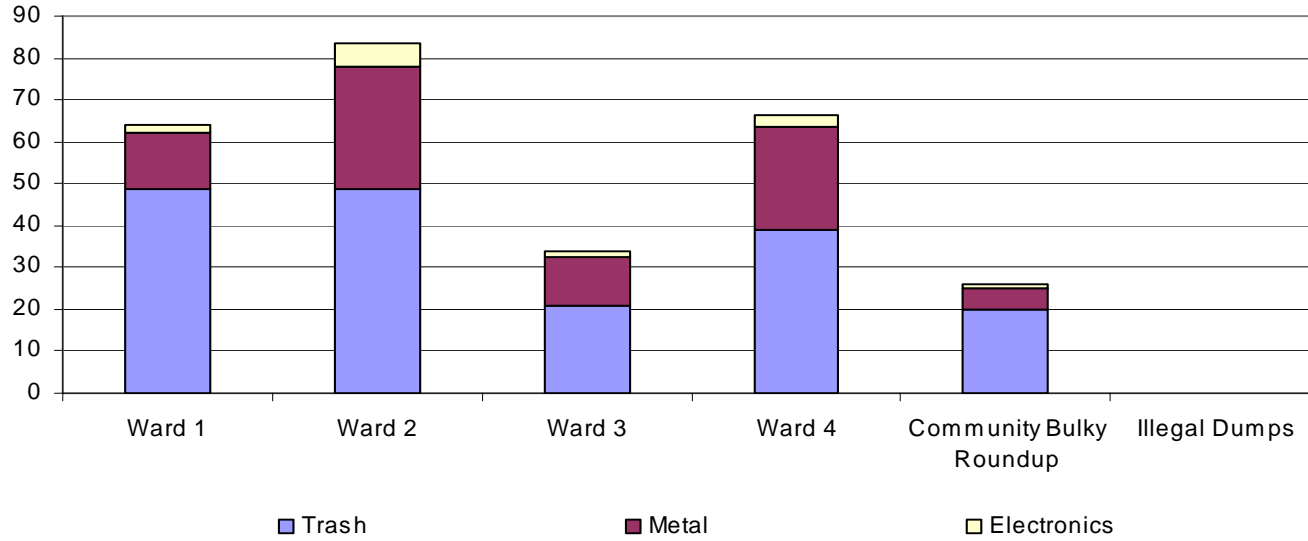


2006 Residential Waste Stream Tons and Diversion



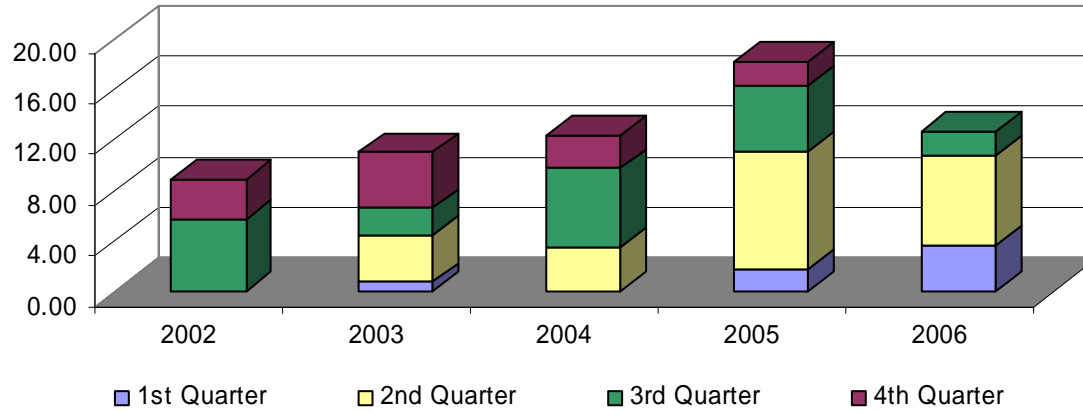
Solid Waste & Recycling Division

2006 Clean Ups in Tons

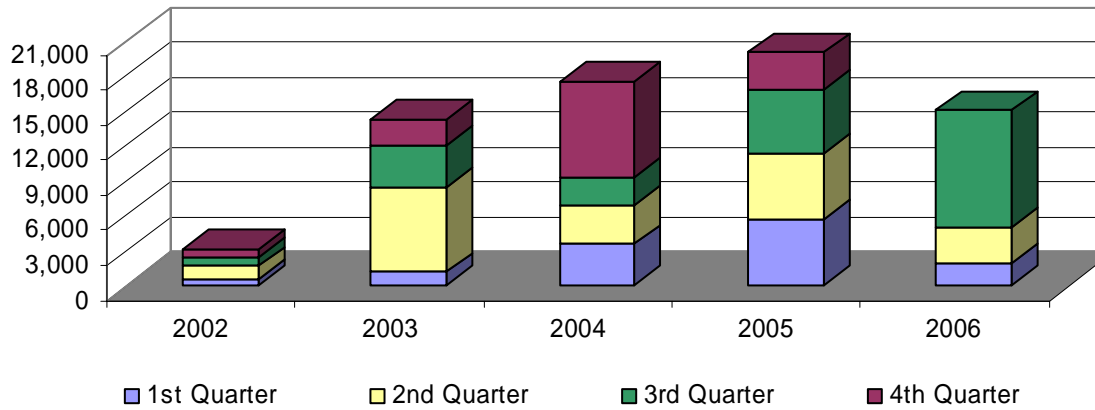


Event	Date	Tons Collected			Totals
		Trash	Metal	Electronics	
Ward 1 Spring	4/1/2006	48.55	13.69	1.98	64.22
Ward 1 Fall	10/14/2006	0.00	0.00	0.00	0.00
Ward 2 Spring	5/6/2006	28.47	9.47	3.08	41.02
Ward 2 Fall	9/16/2006	20.14	19.79	2.58	42.51
Ward 3 Spring	4/8/2006	20.71	11.88	1.49	34.08
Ward 3 Fall	11/4/2006	0.00	0.00	0.00	0.00
Ward 4 Spring	3/18/2006	39.03	24.48	2.68	66.19
Ward 4 Fall	10/28/2006	0.00	0.00	0.00	0.00
Community Bulky Roundup	4/15/2006	19.99	4.99	0.95	25.93
Illegal Dumps		0.00	0.00	0.00	0.00

Transportation Division Asphalt Overlay - Miles

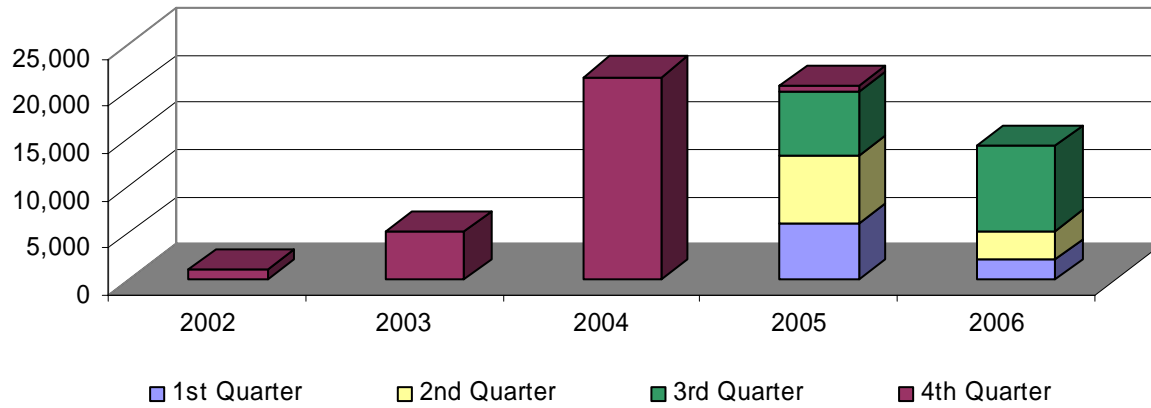


Sidewalk Construction - Linear Feet

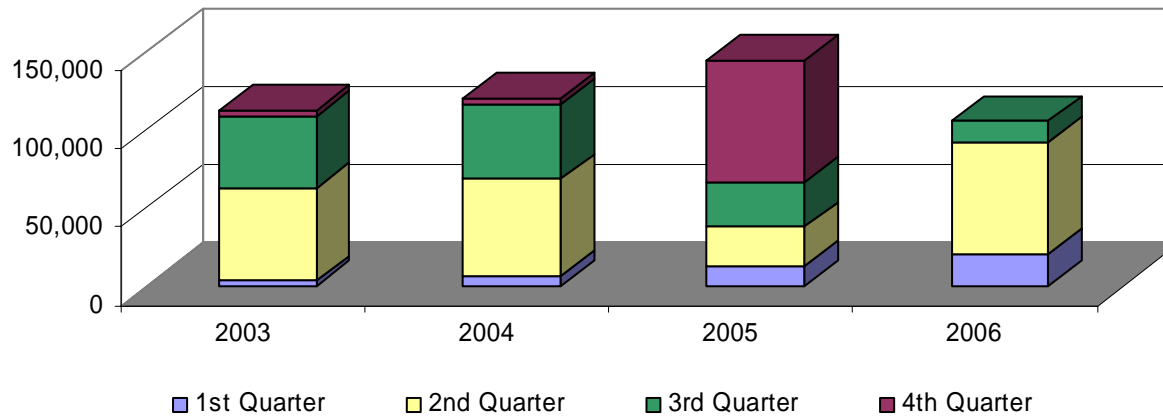


Transportation Division

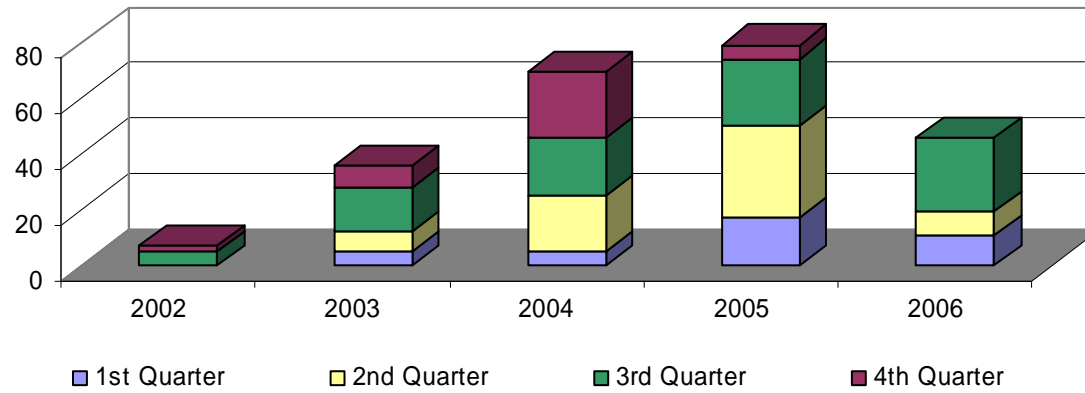
Curb & Gutter Construction - Linear Feet



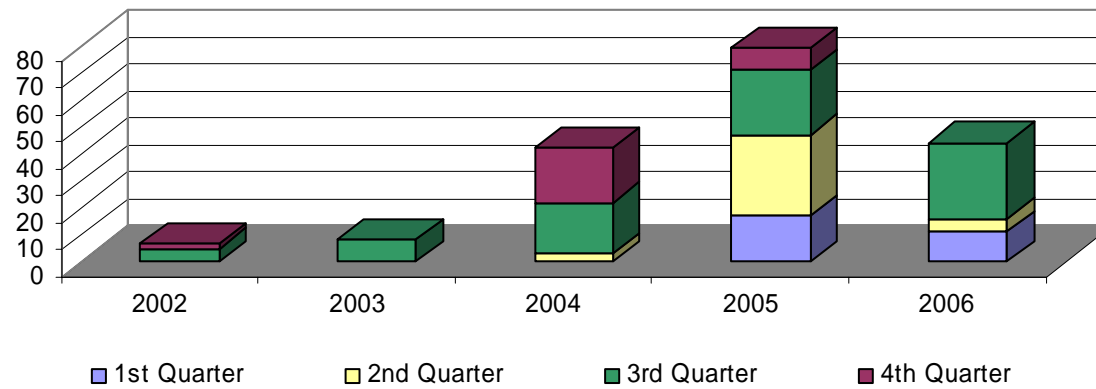
Litter Removal - Pounds



Transportation Division Access Ramp Construction



ADA Detectable Warning Tile Installation

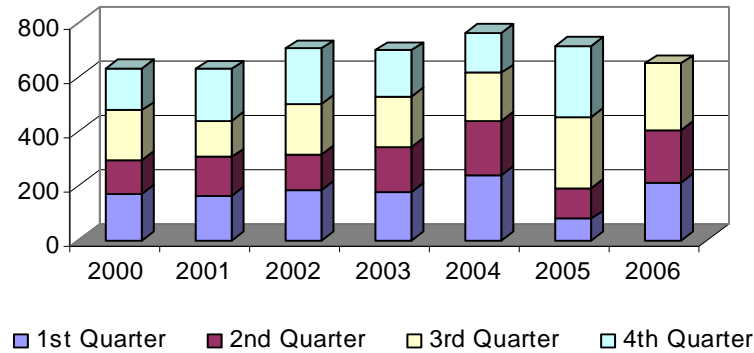


Water & Sewer Maintenance Division

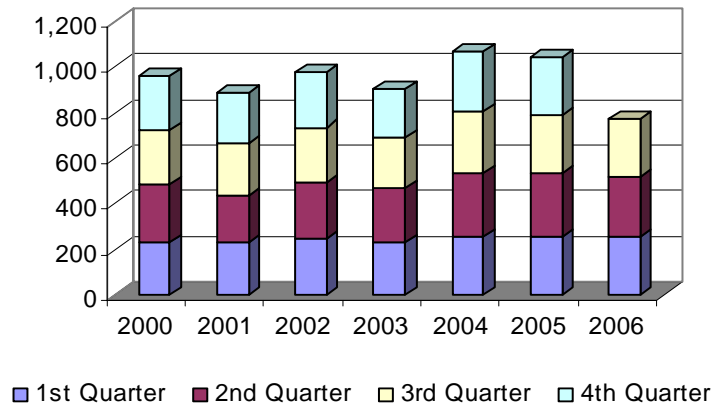
Water & Sewer Maintenance Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Water Mains - Miles	605	605	605
Valves	7,700	7,700	7,700
Fire Hydrants	2,400	2,400	2,400
Water Service Accounts	36,134	36,400	33,415
Water Leaks Repaired	261	648	210
Water Line Constructed - Feet	2,770	6,204	2,439
Fire Hydrants Repaired/Installed	23	81	46
Water Tanks	14	14	14
Pump Stations/Wells	10	10	10
Water Pumps	21	21	21
Lake Dams	3	3	3
Storage - Million Gallons	29	29	29
Water Tank Maintenance Hours	197	639	250
Water Pump Station Repairs	13	74	19
Water Purchased - Average MGD	14.34	12.48	12.48
Water Samples Taken	248	776	254
Sewer Mains - Miles	500	500	500
Manholes	11,500	11,500	11,500
Sewer Service Accounts	30,378	34,000	31,251
Sewer Line TV Inspected - Feet	23,885	95,555	38,468
Sewer Lines Cleaned - Feet	190,139	850,465	403,016
Sewer Line Replace/Lined - Feet	385	3,826	1,095
Sewer Line Point Repairs	41	81	35
Manholes Repaired/Constructed	54	146	44
Sewer Overflows	25	196	82
New Water Connections Made	22	114	48
New Sewer Connections Made	30	97	31

Water & Sewer Maintenance Division Water Distribution/Storage System Maintenance

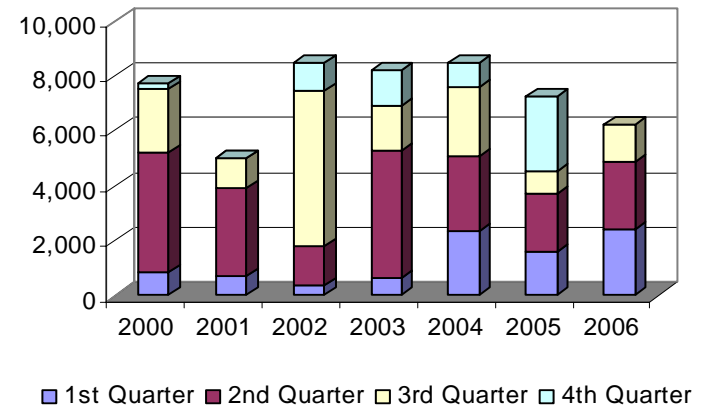
Water Leaks Repaired



Water Samples Taken

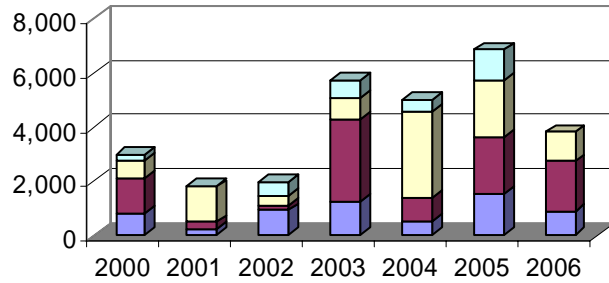


Water Line Constructed



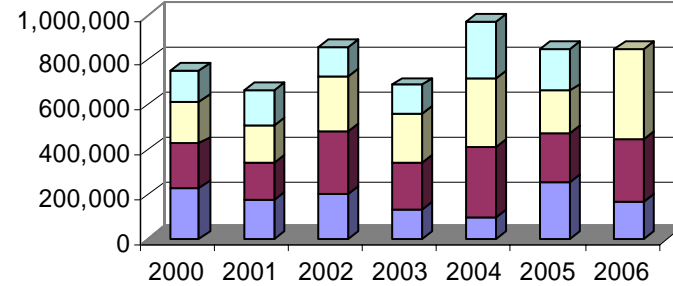
Water & Sewer Maintenance Division Sanitary Sewer System Maintenance

Sewer Line Constructed/Lined



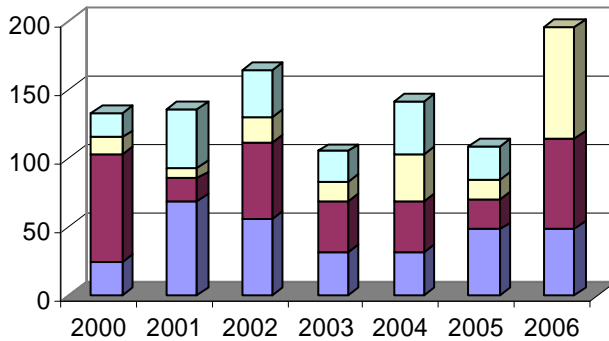
■ 1st Quarter ■ 2nd Quarter ■ 3rd Quarter ■ 4th Quarter

Sewer Line Cleaned



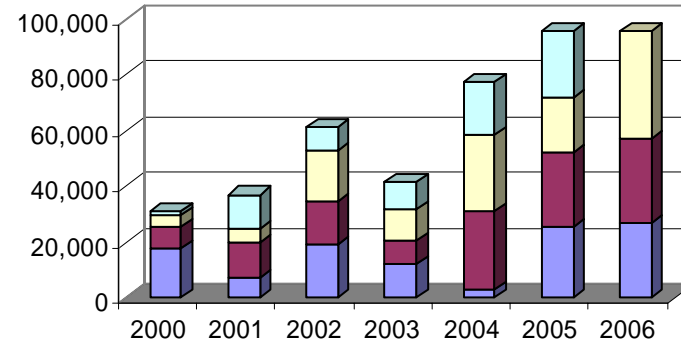
■ 1st Quarter ■ 2nd Quarter ■ 3rd Quarter ■ 4th Quarter

Sanitary Sewer Overflows



■ 1st Quarter ■ 2nd Quarter ■ 3rd Quarter ■ 4th Quarter

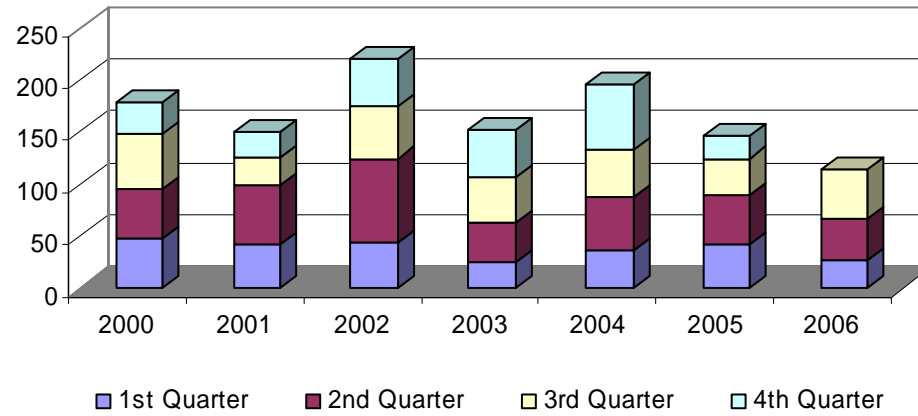
Sewer Line Televised



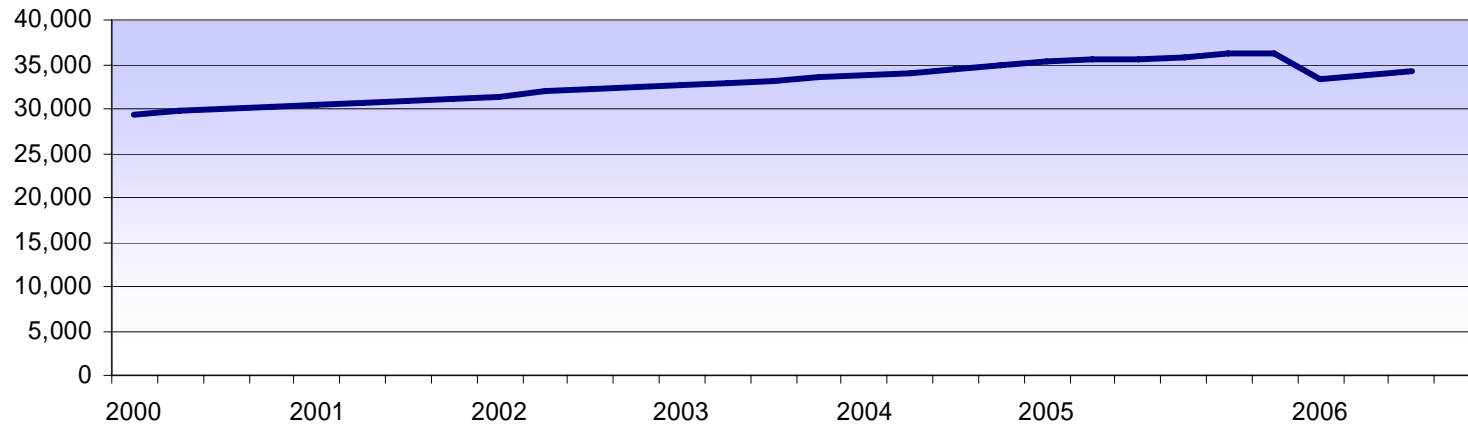
■ 1st Quarter ■ 2nd Quarter ■ 3rd Quarter ■ 4th Quarter

Water & Sewer Maintenance Division

New Water Connections Made

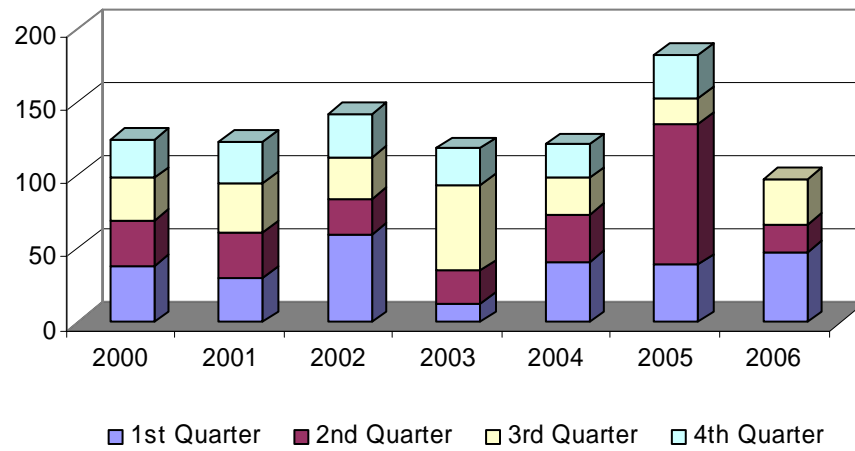


Water Service Accounts (Total)

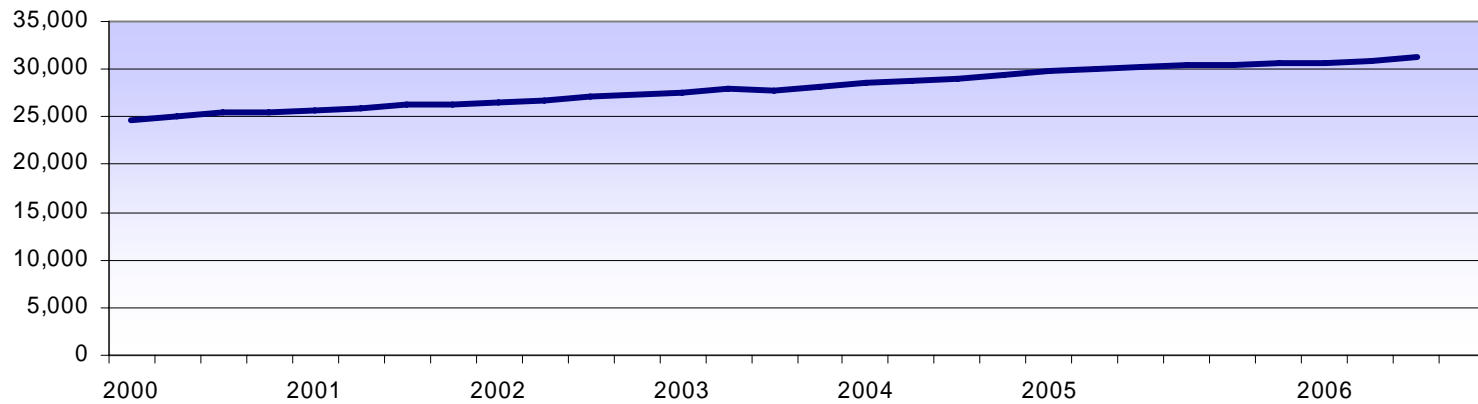


Water & Sewer Maintenance Division

New Sewer Connections Made



Sewer Service Accounts (Total)



Wastewater Treatment Plant

EFFLUENT CHARACTERISTICS (Average)

<u>PARAMETER</u>	<u>JULY</u>		<u>AUGUST</u>		<u>SEPTEMBER</u>	
	<u>PERMIT</u>	<u>ACTUAL</u>	<u>PERMIT</u>	<u>ACTUAL</u>	<u>PERMIT</u>	<u>ACTUAL</u>
CBOD5, mg/l	5.0	1.9	5.0	1.9	5.0	2.5
TSS, mg/l	5.0	1.3	5.0	1.9	5.0	3.6
Phosphorus, mg/l	1.0	0.4	1.0	0.2	1.0	0.2
Ammonia Nitrogen, mg/l	1.6	0.1	1.6	0.3	1.6	0.2
Chlorine Residual, mg/l	—	—	—	—	—	—
Dissolved Oxygen, mg/l (min.)	8.0	8.4	8.0	8.1	8.0	8.6
pH, s.i. (minimum)	6.0	7.6	6.0	7.1	6.0	7.4
pH, s.i. (maximum)	9.0	7.9	9.0	8.0	9.0	7.8
Fecal Coliform	200	38	200	102	200	84
White River Discharge, MGD	—	5.0	—	5.2	—	6.7
Mud Creek Discharge, MGD	—	4.3	—	2.8	—	5.3
Storage Pond Change, MG	—	(25.2)	—	30.9	—	47.1
Irrigation to SMS, MG	—	13.9	—	17.2	—	0.0
White River Phosphorus, lbs/d	50	14	50	10	50	14
Mud Creek Phosphorus, lbs/d	50	11	50	9	50	11

Police Department

Greg Tabor, Chief of Police

2006 Management Agenda

Service Improvements 2006-2007

Justice Center and Public Safety Complex Direction - One Year Actions

On 4/3/06 City Council passed a resolution to locate a new police facility at the location of the old city jail currently occupied by the Prosecuting Attorney's Office and the Community Oriented Policing Division. On 6/16/06 the Space Needs Committee met to discuss project planning and the next steps for the Public Safety Complex. James Estes of Wilson-Estes Police Architects attended this meeting to provide an overview of his space needs report to the council and to discuss how the change in location would affect the project timeline and architectural fees included in his original report. Mr. Estes noted that the bigger the construction, the lower the architectural fees would be. Mr. Estes noted that change orders would only be issued in the event that the City changed the scope of work. Estes submitted a draft "Letter of Agreement" on 6/20/06 establishing the specifics related to his contract agreement, a modified space needs program, revised space summary, and an updated cost table associated with the space revisions. Estes estimated the building cost to be approximately \$15,000,000 and architect fees based on a percentage of 6.68%. The committee decided to approach council for a resolution authorizing an extension of the Estes contract to continue into the design phase of the project and for a CIP budget adjustment from the Public Safety Expansion Bond Fund from the originally unfunded estimate in 2004 of \$15,788,000 to the 2007 funded amount of \$12,000,000 to the current estimate from Estes of \$16,361,407. Coy Hurd estimates building cost at \$14,000,000 plus 25% contingency for a total \$17,500,000. During the third quarter the Community Oriented Policing Division relocated to the Northwest Arkansas Mall. Further information concerning this project will be generated in the fourth quarter.

Patrol

Although calls for services decreased slightly, Priority 1 calls (emergencies involving potential loss of life or property and require a multiple officer response) have increased 4.5% year to date. Most of the crimes reported to the police comprising this category are a result of citizen reports. Other contributors to this category include police officer on-view observations and police-initiated investigations. The reporting of priority one calls such as domestic disturbances involving a weapon vary according to situational factors related to individual crimes. Generally, citizens are more likely to report violent crimes in progress as an emergency rather than property crimes, crimes where there is personal injury, and crimes involving large monetary losses. These factors continue to contribute to an increase in calls for service and an overall increase in the City of Fayetteville crime rate. We attribute these increases to several factors including increase in both population and area served as well as the States of Arkansas' continued practice of early release and post-prison transfers.

The number of citations issued for traffic violations has increased approximately 11.5% year to date. We attribute this increase, partially, to the slight decrease in the number of calls for police service. Another contributing factor is an increased selective traffic enforcement assignment based on citizen complaints and collision reports. Collision reports involving personal injury have decreased approximately 33% to date this year. This can be attributed to a number of factors including increased selective traffic enforcement, an increase in overall police personnel and high profile traffic campaigns (Click it or Ticket seat belt and Over the Limit, Under Arrest impaired driving).

Support Services

Operating lobby hours for the Records Division are 7:00 a.m. to 6:00 p.m., Monday through Friday.

Records processed include creation of all case files, arrests and narratives supporting arrests, and data entry of all tickets and warrants. Double entry of all misdemeanor arrests is necessary to support the current District Court software system. The budgeted records processed total reflected full utilization of digital imaging of current and archived records by using the City's document imaging system. This project is slightly behind and imaging will begin in the fourth quarter and full implementation is expected by the end of the year.

The School Resource Officer Program was reinstated during the past quarter. Two officers were assigned as School Resource Officers working at Fayetteville High School. Staff is currently negotiating a contract with the Fayetteville Public School District to partially fund the SRO program.

Drug Enforcement

The Drug Enforcement program reflects the efforts of the Fourth Judicial District Task Force. Year to date, drug cases and related arrests increased slightly over 2005 during the same period.

The amount of methamphetamine seized increased 4% to date this year although the number of lab seizures is down. State law limiting the purchase of key ingredients used to manufacture methamphetamine is attributable to the decrease in lab seizures. We attribute the increase of methamphetamine seizures to investigations involving imported narcotics.

In addition, year to date marijuana seizures increased by approximately 135%. Again, with the reduction of time spent investigating methamphetamine labs, increased investigative time has been given to other narcotics.

Central Dispatch

During the quarter, Police calls remained on track with 2005. Police self-initiated calls rate of increase remains at 14%. This increase can be partially attributed to increased traffic enforcement efforts.

Due to the automated phone system, calls received by Dispatch personnel continue to decrease. This allows personnel to devote more quality time to training, emergency calls and radio traffic. The dispatch center averages (85) 9-1-1 calls per day. 77% of these calls are received from cell phones. The dispatch center has received \$188,993 in 9-1-1 salary reimbursement and CMRS funds so far this year.

Animal Services

The Animal Services Division recently hired Dr. Amy Kasprisin to fill the veterinarian vacancy.

Warnings and Citations written experienced a 91% due to zero tolerance of dogs and cats running at large without current rabies vaccinations and City license tags. The zero tolerance policy was implemented in 2005 due to 85 bites reported for the year; this practice has resulted in a 36% reduction in animal bite complaints.

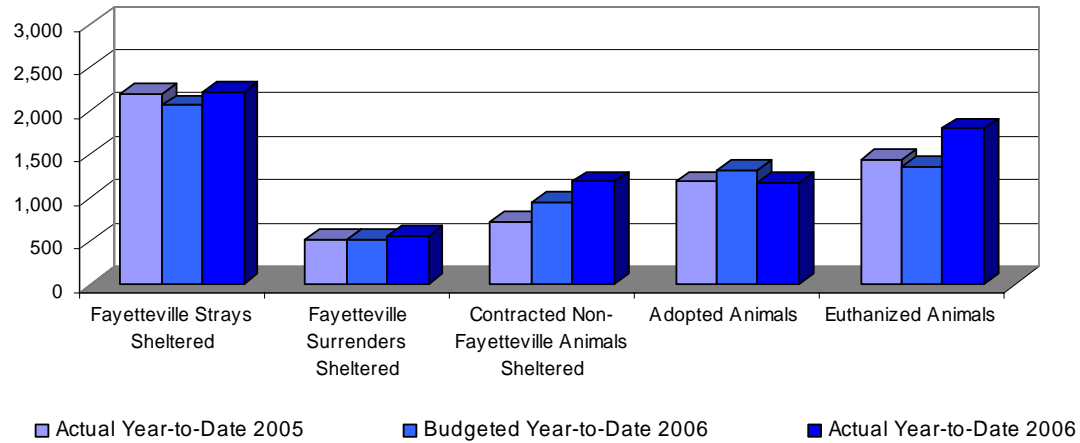
Shelter customers increased by approximately 28%. Those visitors are looking for animals to adopt or lost animals. Citizens bringing in stray or surrendered animals and those calling concerning general information are not included in these numbers.

Animal Services Division

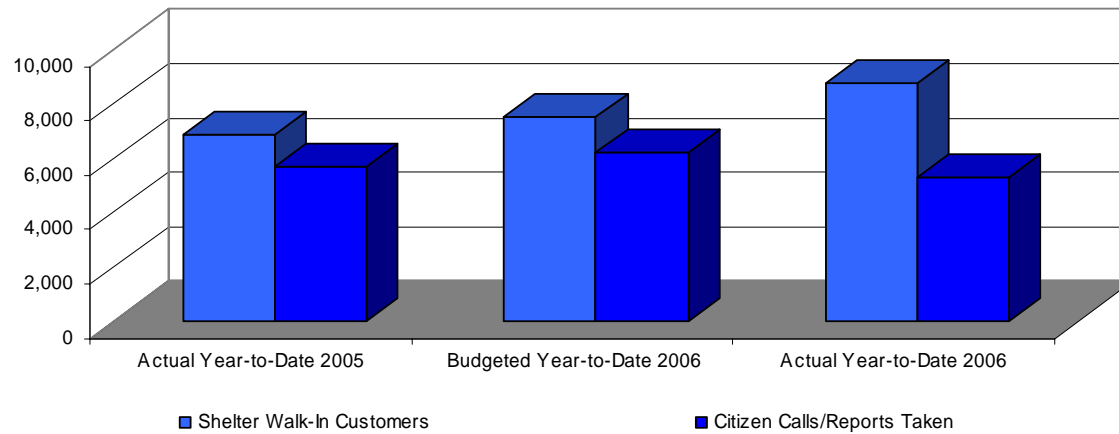
Animal Services Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Citizen Calls/Reports Taken	5,662	6,186	5,311
Officer Emergency After Hour Responses	642	420	653
City Licenses Sold	1,909	2,250	1,870
Warnings/Citations Issued	125	105	239
Animal Bite Investigations	60	57	44
Animal Cruelty Investigations	170	150	353
Animals Reclaimed by Owner	554	564	582
Stray Animals Picked Up			
Domestic	1,122	1,125	921
Wildlife	224	225	196
Livestock	22	39	49
Fayetteville Strays Sheltered	2,193	2,064	2,213
Fayetteville Surrenders Sheltered	516	525	564
Contracted Non-Fayetteville Animals Sheltered	722	939	1,183
Adopted Animals	1,184	1,314	1,172
Euthanized Animals	1,440	1,350	1,796
Cost per Animal/Five Days Shelter	\$75.00	\$75.00	\$75.00
Shelter Walk-In Customers	6,854	7,500	8,780
Adopted Animals Sterilized	920	1,050	887
Low Cost Spay/Neuters Performed	902	1,125	406
Veterinarian Emergency After Hour Responses	27	27	17

Animal Services Division

Shelter Population

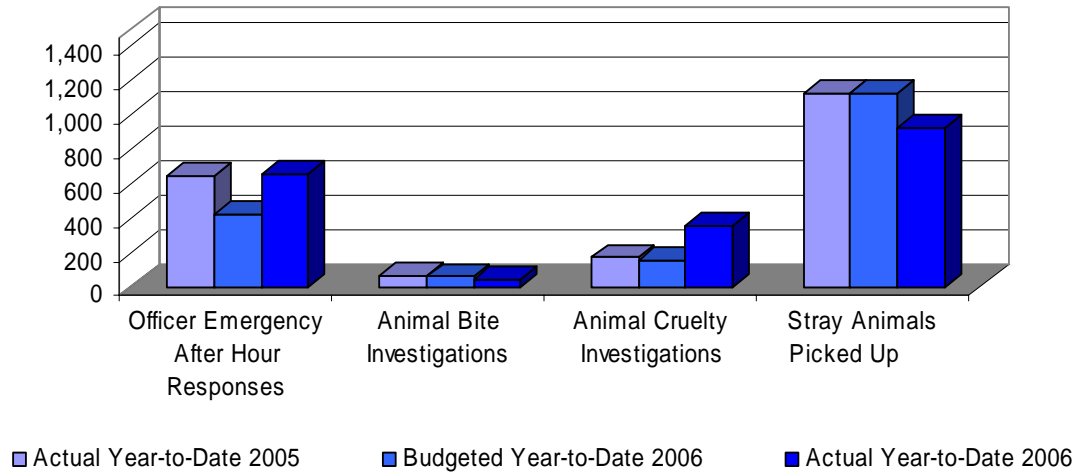


Citizen Contacts

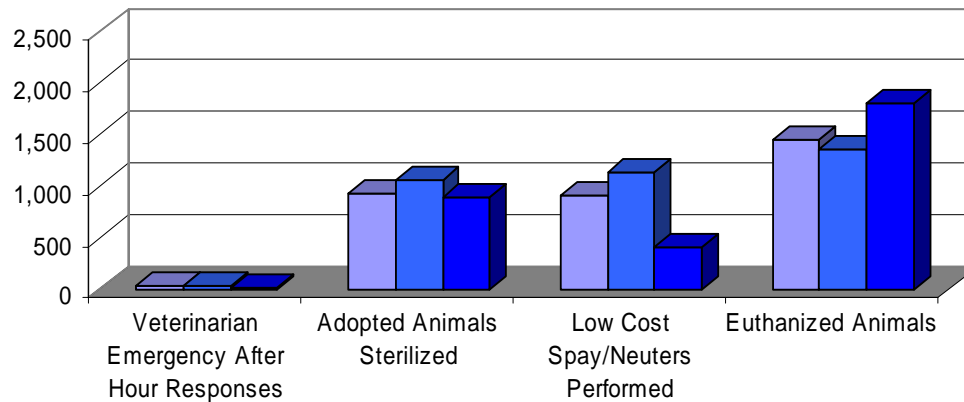


Animal Services Division

Actions Taken by Animal Services Officers



Procedures Performed by the Animal Services Veterinarian



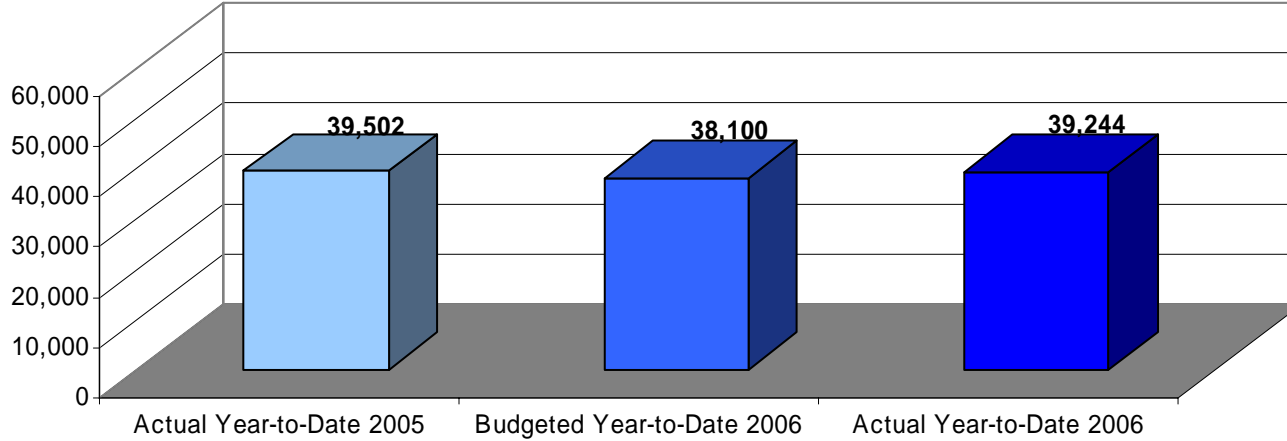
Central Dispatch Division

Central Dispatch Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Total Calls for Service	39,502	38,100	39,244
Police	32,893	31,500	32,314
Fire	4,801	4,650	4,835
Citywide	1,808	1,950	2,095
Police Self-Initiated Calls	60,209	63,000	68,685
Telephone Calls (Minus 9-1-1)	112,726	112,500	105,998
9-1-1 Calls	23,814	24,000	23,321
Code 0 (Zero officers available to respond to calls)	1,006	N/A	794
Overtime/Comp Time Hours	958	938	1088/ 510
9-1-1 Salary Reimbursement	\$176,781	\$184,071	\$188,993
Average Minutes Police on a Call	19	20	22
Average Minutes Fire on a Call	16	16	17
Average 9-1-1 Calls per Day	87	85	85

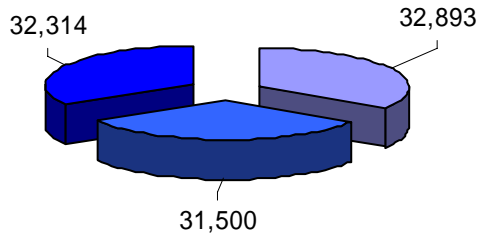
*Note: Overtime/Comp hours increased due to vacancies and Family Medical Leave

Central Dispatch Division

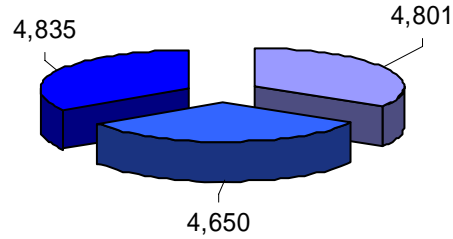
Calls for Service - Police, Fire, and Citywide



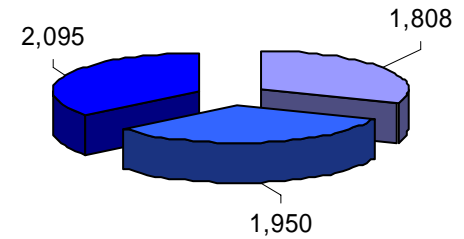
Police Calls for Service



Fire Calls for Service

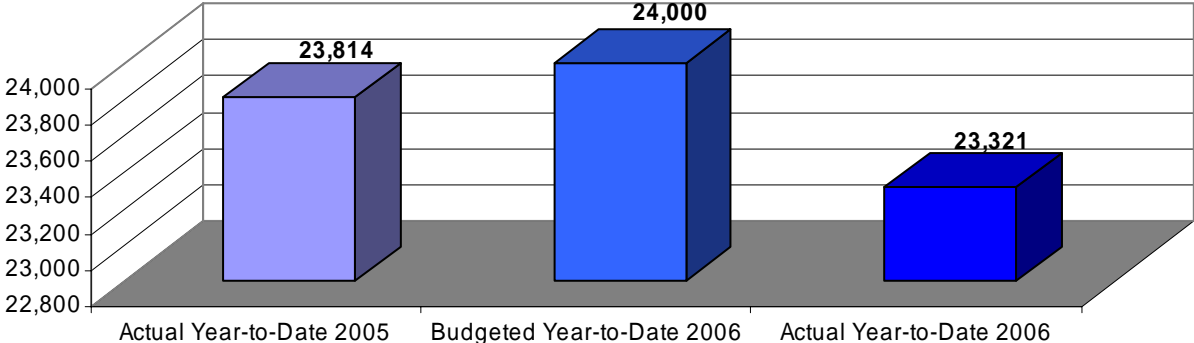


Citywide Calls for Service

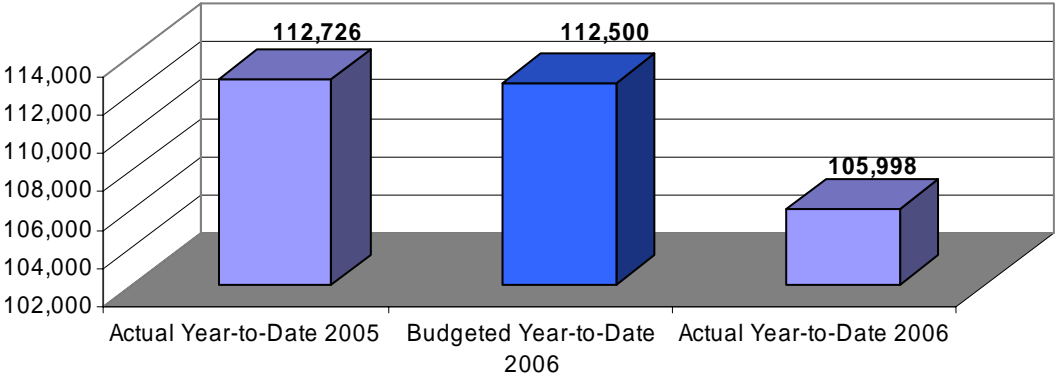


Central Dispatch Division

Fayetteville 911 Calls



Police Business Telephone Calls

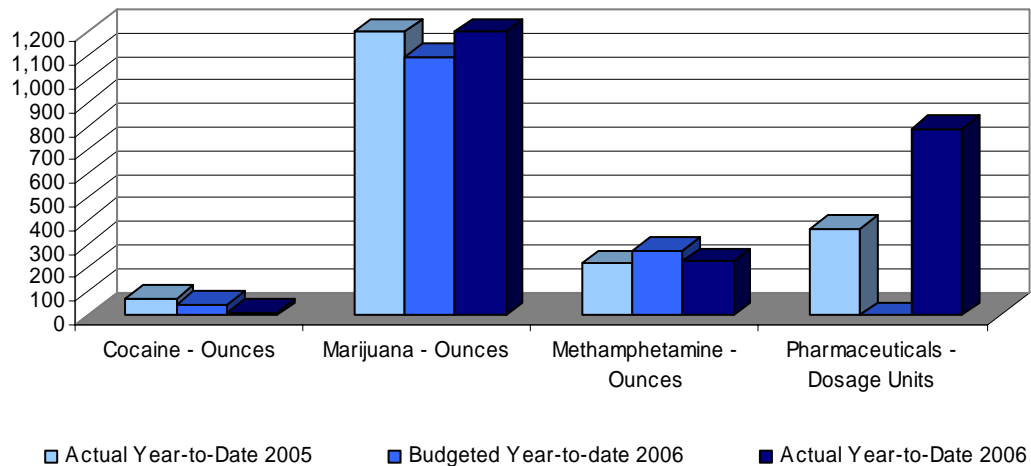


Telephone Calls (Minus 911 Calls)

Drug Enforcement Program

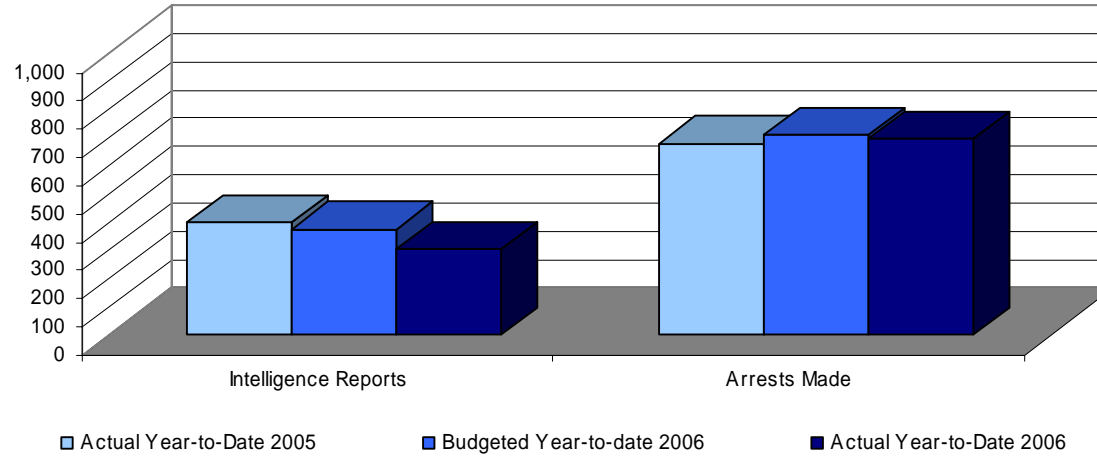
Drug Enforcement Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Drug Cases	648	711	682
Intelligence Reports	398	375	306
Arrests Made	678	711	694
Case Clearance Rate	94.00%	97.00%	90.00%
Drugs Seized: Cocaine - Ounces	71.24	45.00	12.99
Marijuana - Ounces	1,323.43	1,093.74	3,114.47
Methamphetamine - Ounces	218.95	273.45	227.14
Pharmaceuticals - Dosage Units	365.00	N/A	790.00
Weapons Seized	N/A	N/A	38
Methamphetamine Hotline Calls	N/A	N/A	26

Illegal Drugs Seized

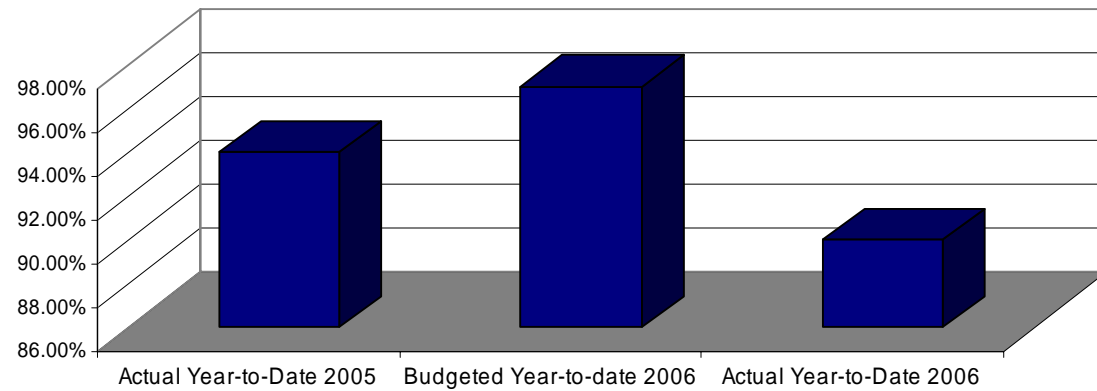


Drug Enforcement Program

Drug Enforcement Cases / Intelligence Reports

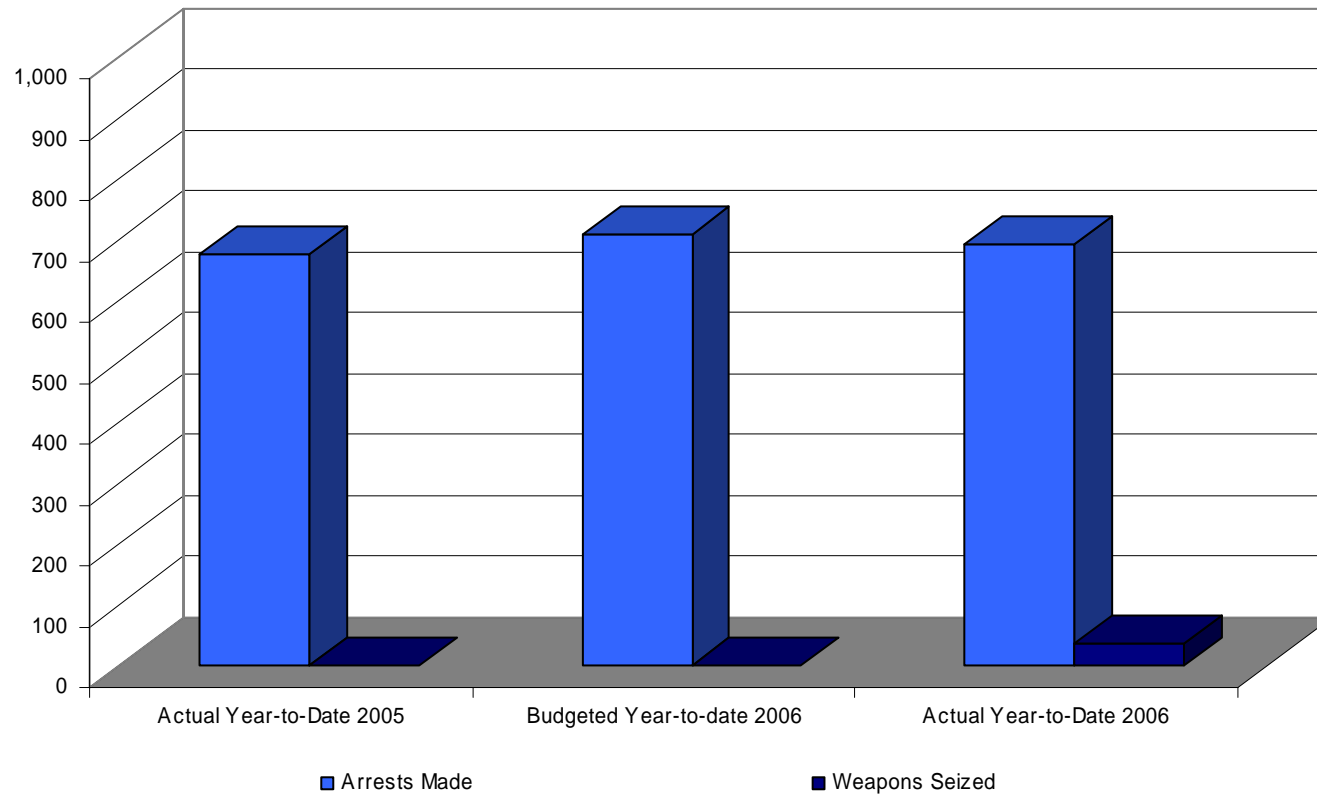


Drug Enforcement Case Clearance Rate



Drug Enforcement Program

Arrests Associated with Drug Enforcement Cases



Patrol Program

Patrol Program Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Calls for Police Service*	32,893	31,500	32,315
Priority 1 calls	3,747	N/A	3,916
Priority 2 calls	13,389	N/A	13,582
Priority 3 calls	15,757	N/A	14,817
Traffic Accidents	2,411	2,361	2,396
Traffic Accidents with Injuries	633	645	426
Traffic Accidents with Fatalities	2	3	3
Total Citations Issued	14,240	18,750	15,796
Littering Citations	N/A	N/A	89
Loud Vehicle Stereo Citations	N/A	N/A	46
Seat Belt/Child Safety Citations	N/A	N/A	894 / 117
Warning Citations Issued	11,013	15,000	13,147
Arrests Made	6,232	5,211	4,267
DWI Arrests	543	513	838
Cases Assigned to/Cleared by CID	524 / 599	1,713 / 1,146	700 / 450
Alarm Responses/% of False Alarms	5,666 / 99%	N/A	2,914 / 99%
Emergency Response - Minutes (Priority 1 calls)	4:42	4:45	4:34

* Calls for Service

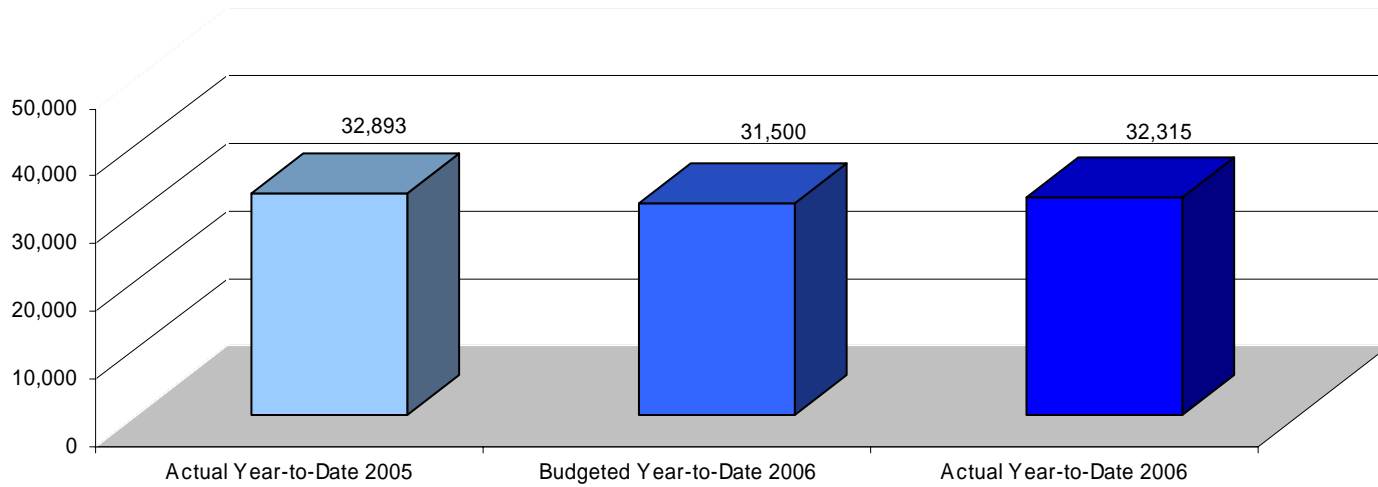
 Priority 1 Calls = Emergency calls

 Priority 2 Calls = Non-emergency calls with the potential to escalate to emergency calls

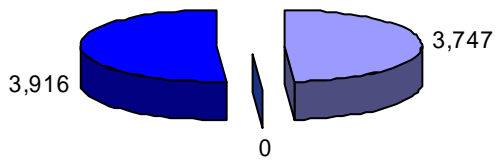
 Priority 3 Calls = Non-emergency calls

Patrol Program

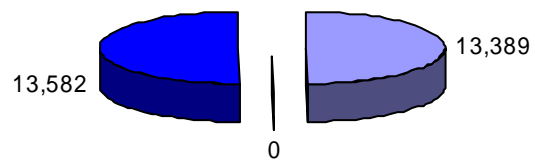
Calls for Police Service



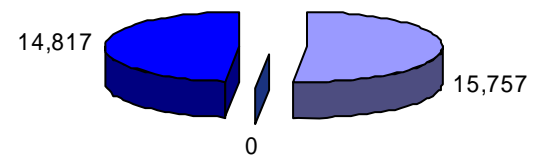
Priority 1 Calls



Priority 2 Calls

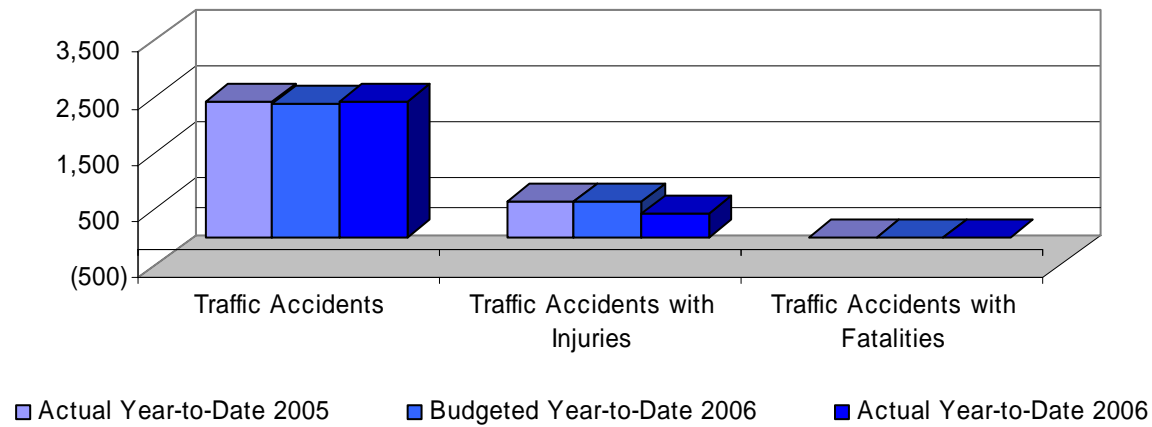


Priority 3 Calls

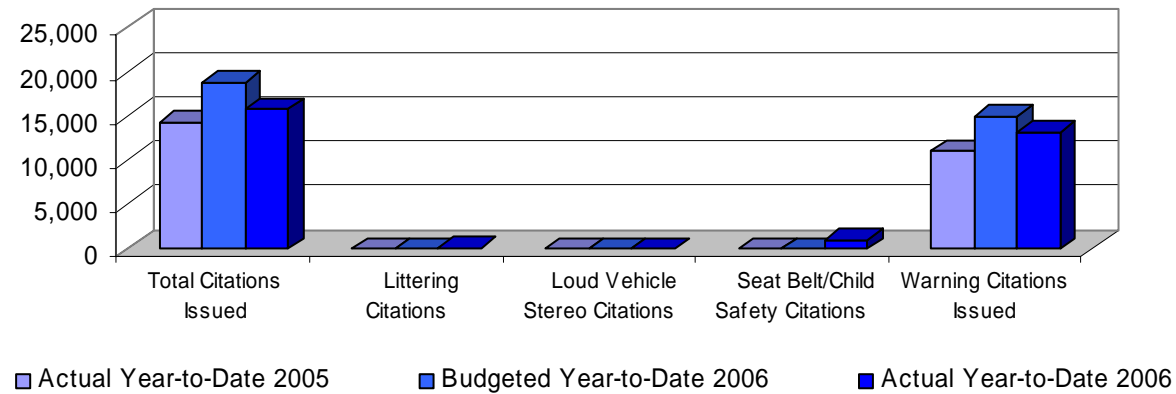


Patrol Program

Traffic Accidents

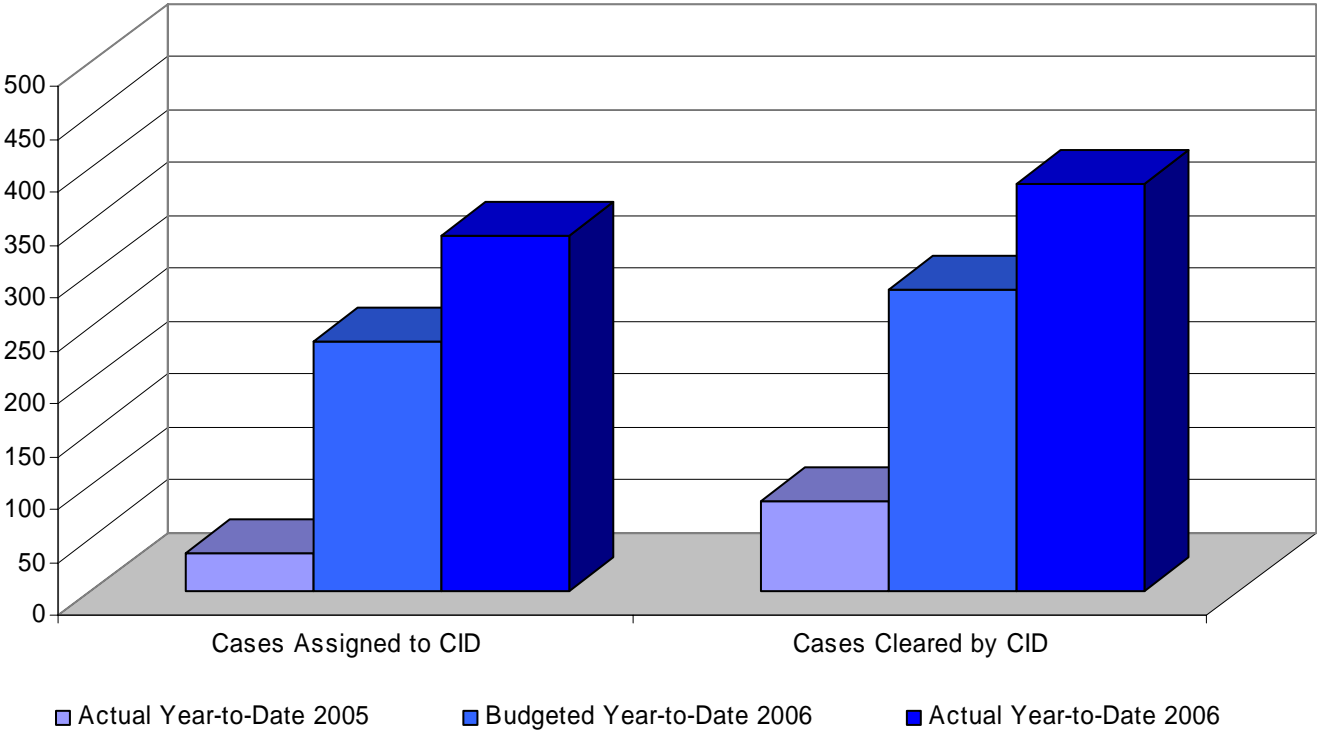


Tickets and Warnings Issued



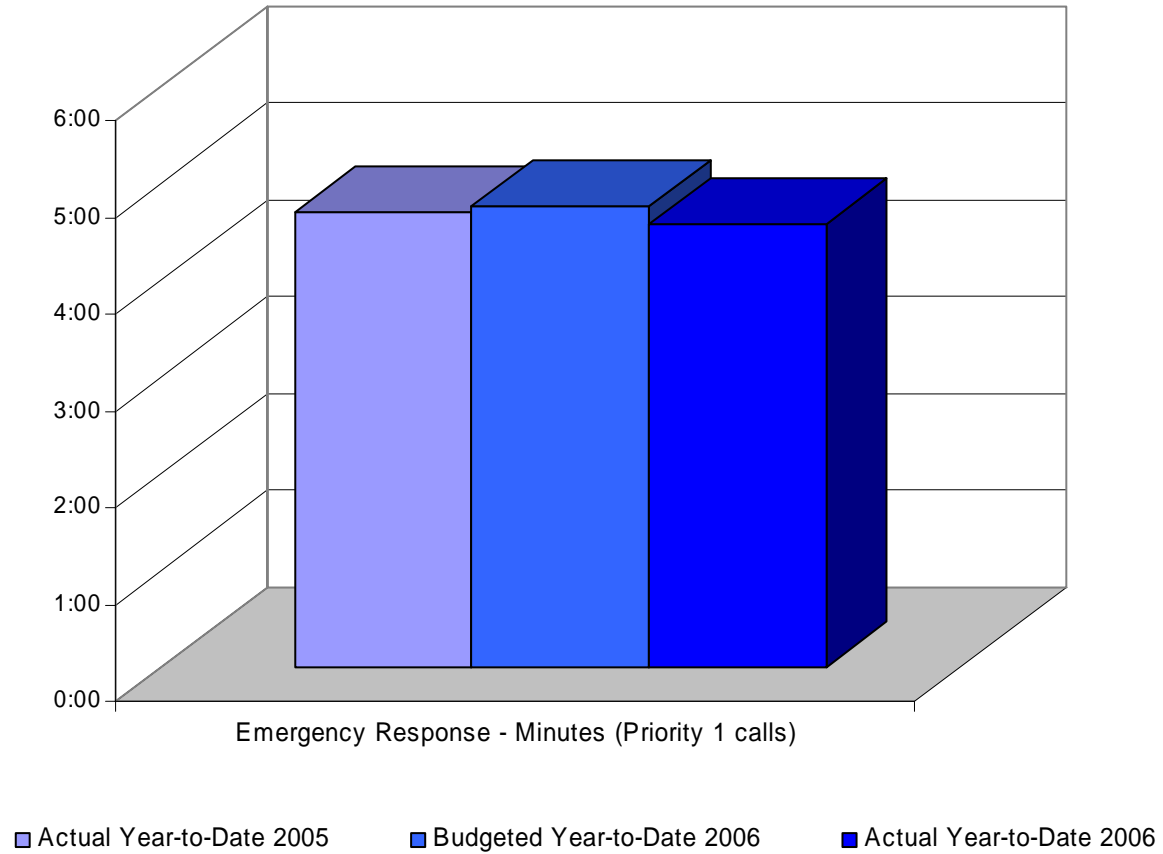
Patrol Program

Criminal Investigation Division Assigned and Cleared Crimes



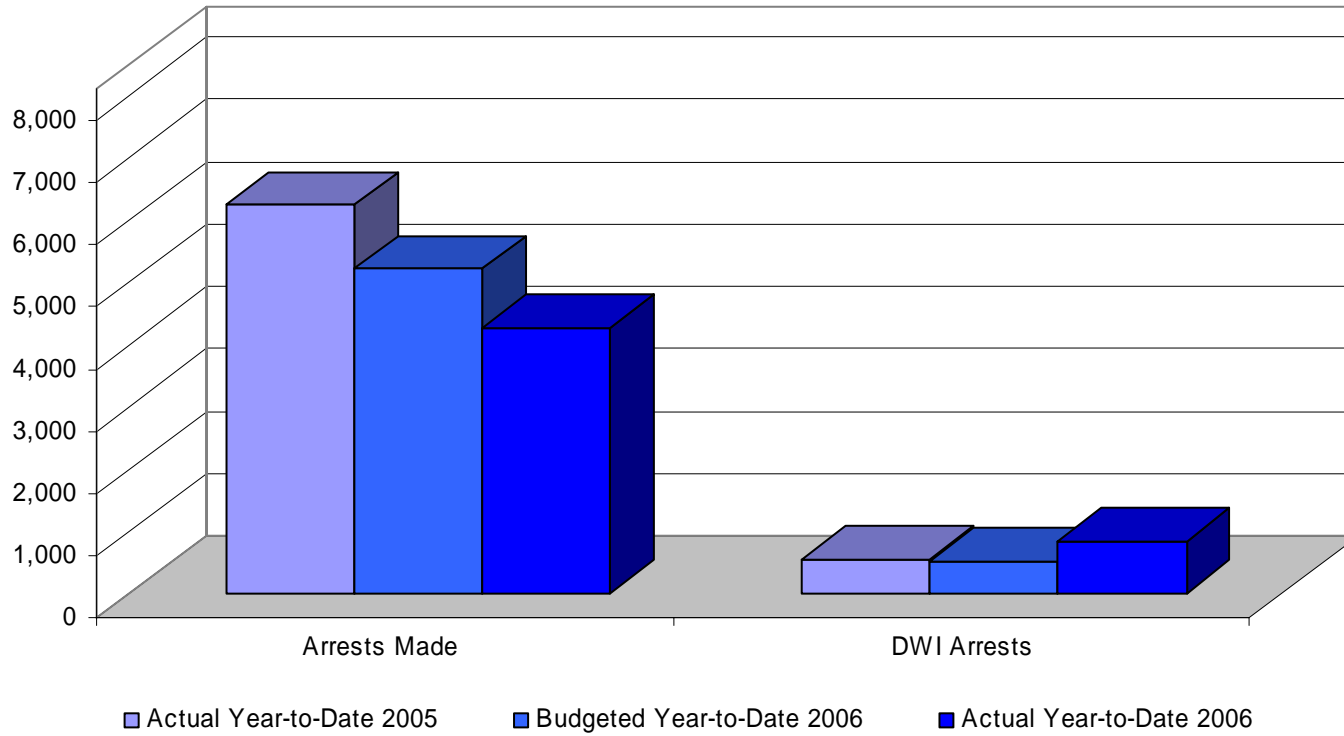
Patrol Program

Police Department Emergency Response Time High Priority Calls



Patrol Program

Arrests



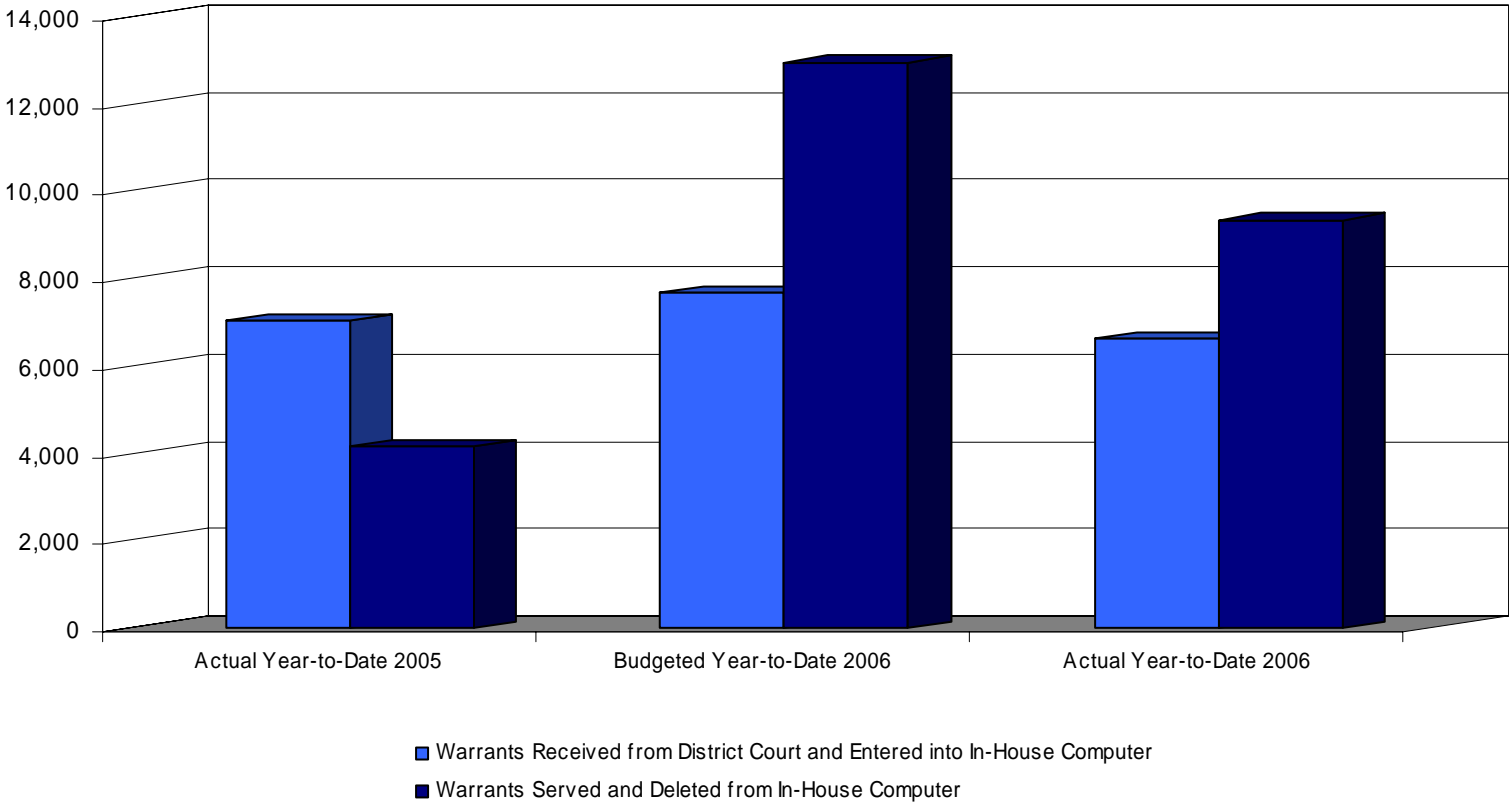
Support Services Program

Support Services Performance Measures	Actual Year-to-Date 2005	Budgeted Year-to-Date 2006	Actual Year-to-Date 2006
Funds Collected on Bonds and Fines	\$ 1,848,035	\$ 2,062,500	\$ 1,971,167
Records Processed	41,250	92,250	40,165
PACE Reports Transcribed	7,533	N/A	10,523
Accidents entered into In-House Computer	2,411	N/A	2,396
Traffic Citations entered into Court Computer	14,693	N/A	16,115
Criminal Citations entered into Court Computer	N/A	N/A	2,024
Arrests entered into In-House Computer	6,015	N/A	4,867
Arrests entered into Court Computer	3,173	N/A	4,240
Warrants Received from District Court and Entered into In-House Computer	7,039	7,650	6,624
Warrants Served and Deleted from In-House Computer	4,135	12,936	9,330
Property & Evidence Items Collected	7,638	7,875	7,939
Percentage of CALEA* Standards Met	N/A	N/A	57.00%
Grants Managed	6	6	5
Grants Awarded	\$ 240,000	\$ 510,000	\$ 249,384

*Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA)

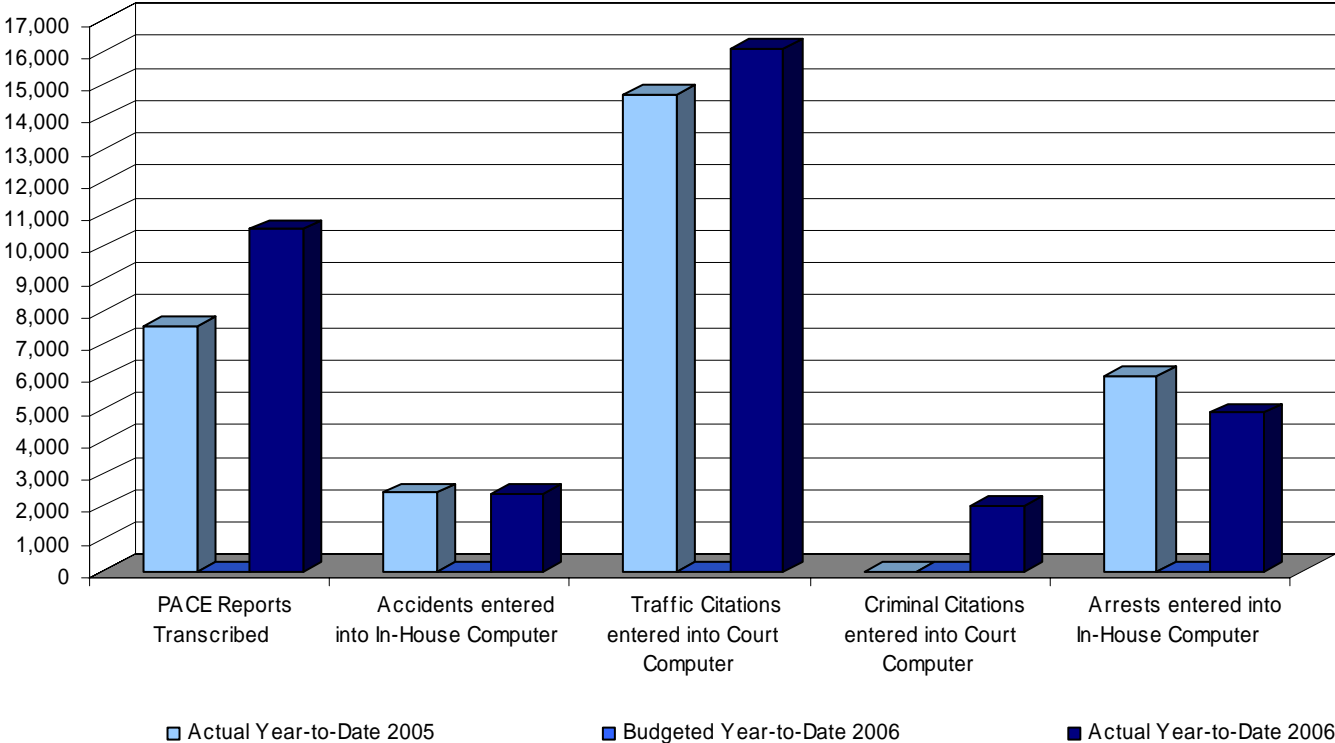
Support Services Program

Warrants Issued and Served



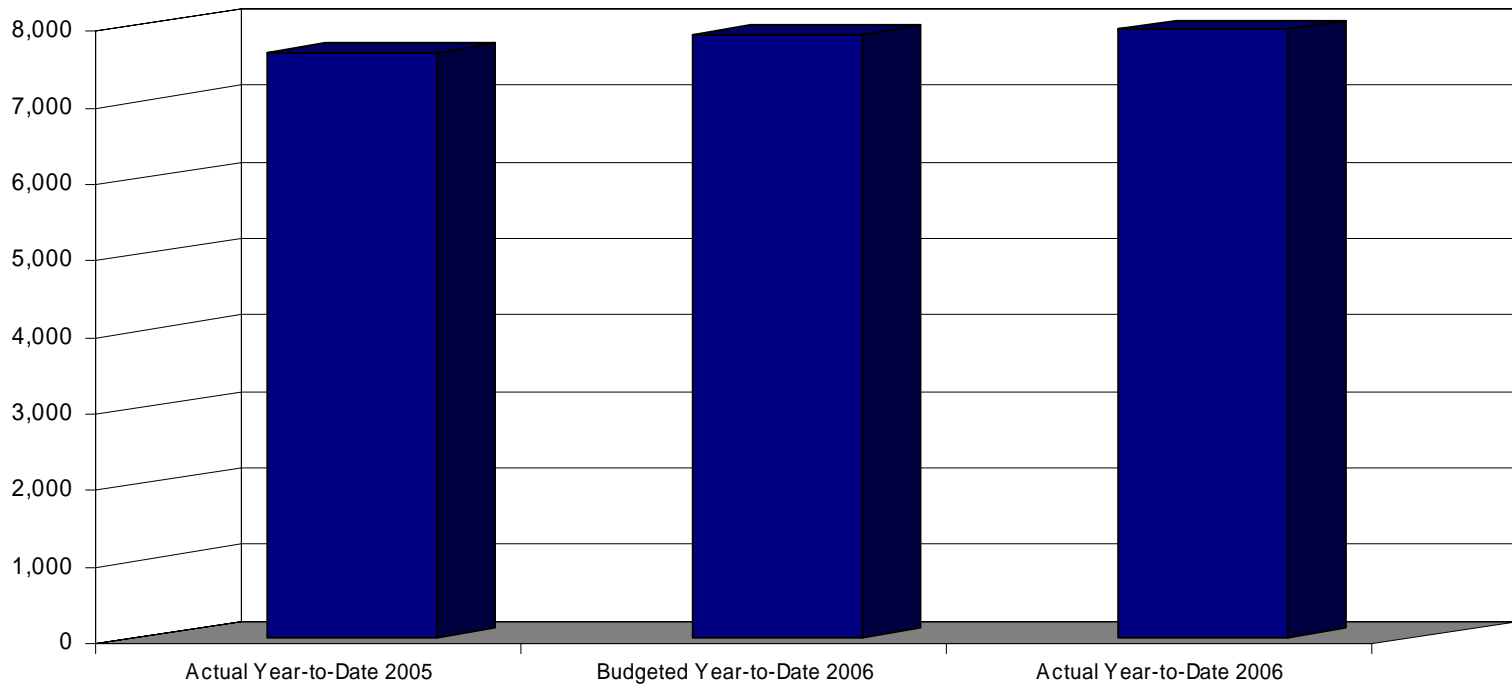
Support Services Program

Total Police Department Records Processed by Type



Support Services Program

Property & Evidence Items Collected



City of Fayetteville, Arkansas

- 2006 Budget Adjustments Requiring Use of Reserves (3rd Quarter 2006)

Fund	Account Number	Project Number	Project Description	Date	Description	Budget Amendments	
						Amount	Adjustment
<i>Use of Fund Balance Items (All Funds):</i>							
1010	1010.0001.4999.99		General Fund	20060718	D: Planning Commission Salaries	21,800	21,800
1010	1010.0001.4999.99		General Fund	20060831	E: Sale of the CEC	(106,851)	(106,851)
1010	1010.0001.4999.99		General Fund	20060930	D: Increase Transfer to Drug Fund	31,426	31,426
4150	4150.0915.4999.99		Library Construction Fund	20060731	E: Transfer Interest Earnings to Close Fund	227	227
4270	4270.0927.4999.99		Replacement & Disaster Recovery Fund	20060731	A: Audit Expense Not Budgeted in 2006	800	800
5400	5400.0940.4999.99		Water & Sewer Fund	20060718	D: Hamestring Lift Station Construction	5,100,000	5,100,000
6800	6800.0980.4999.99		Police Pension Fund	20060901	E: Police Chief Retirement in September	29,718	29,718
							<u>5,077,120</u>
<i>General Fund (1010):</i>							
1010	1010.6305.5100.00		Operational	20060718	D: Planning Commission Salaries	20,250	20,250
1010	1010.6305.5105.00		Operational	20060718	D: Planning Commission Salaries	1,550	1,550
1010	1010.0001.6602.69		Operational	20060831	E: Sale of the CEC	(106,851)	(106,851)
1010	1010.2900.7602.93		Operational	20060930	D: Increase Transfer to Drug Fund	31,426	31,426
							<u>(53,625)</u>
<i>Library Construction Fund (4150):</i>							
4150	4150.0915.4999.99		Operational	20060731	E: Transfer Interest Earnings to Close Fund	227	227
							<u>227</u>
<i>Replacement Fund (4270):</i>							
4270	4270.0927.4999.99		Operational	20060731	A: Audit Expense Not Budgeted in 2006	800	800
							<u>800</u>
<i>Water & Sewer Fund (5400):</i>							
5400	5400.0940.4999.99	06032	Transfer to WSIP Fund	20060718	D: Hamestring Lift Station Construction	5,100,000	5,100,000
							<u>5,100,000</u>
<i>Police Pension Fund (6800):</i>							
6800	6800.0980.4999.99		Operational	20060901	E: Police Chief Retirement in September	29,718	29,718
							<u>29,718</u>
							<u>5,077,120</u>

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Aviation & Economic Development Improvements					
Airport Expansion Equipment (AIP#21 REV)	Purchase of a small dump truck with snow removal blade, a skid steer with broom, and a front end loader and back hoe for airport use. The proceeds of the sale of the airport's snow blower will be used to purchase the new equipment.	As of September 30, all three vehicles have been received. Staff is awaiting the purchase and installation of a snow removal blade for the dump truck.	90,737	43,257	47,480
Airfield Re-striping	Re-Paint Airfield Markings. The project is a requirement of FAA regulations for maintenance of Airfield standards.	No change.	9,650	-	9,650
Airport Master Plan Update	Through extensive research and analysis, the Master Plan will identify and examine the role of the airport within the region's system of airports. A strategic plan will be formulated that best represents the goals of the community and the airport and sets forth realistic and achievable direction and plan of action for the development of the airport and its environs.	As of September 30, a Draft of the Final Report has been completed. The Final Draft has been proofed by staff and changes submitted to the consultant. The Draft was submitted to the FAA for approval on September 29.	110,476	110,468	8
Airport Parking Lot Rehabilitation	To crack seal and rejuvenate asphalt. Repaint parking lot lines and ADA spaces.	As of September 30, the project is under contract but work has not yet begun.	1,250	1,801	(551)
East Corporate Hangars 60' x 60'	To build small corporate-style hangars suitable for twin-engine turboprop aircraft. The hangars will diversify and enhance the airport's facilities for support of General Aviation in the region.	No change as of September 30.	38,973	-	38,973
Economic Development Matches	There are no activities in this project at this time.	No activity this quarter.	60,000	-	60,000
Fire Sprinkler System - Air Museum	To replace the fire protection sprinkler system in the Arkansas Air Museum hangar.	The project is complete.	36,200	8,502	27,698
NW Ark Aviation Tech Center Funding	Funding to the Arkansas Aviation Technology Center for the purpose of developing their capability for national accreditation. The non-profit educational facility provides FAA certification training for airframe and power plant mechanics.	The project has been canceled.	54,000	-	54,000
Roof Maintenance Program	Repair roofs of Airport buildings.	All scheduled roof repair projects are complete as of September 30.	38,676	37,976	700
Terminal Building Rehabilitation	To remodel the old terminal building. Conceptual plans were developed for the purpose of deciding how to best utilize the unused building area to generate revenue for the airport. The recent agreement with Million Air Inc. to perform the Fixed Base Operations function at the airport has created additional urgency to make modifications to the building. Other uses considered for the first phase of the project will include: aviation-related business, office space, commercial enterprise, educational, and other.	Project is physically completed. A final payment to a photography vendor remains to be processed.	302,854	299,839	3,015
Terminal Improvements - Sky Venture	A portion of the Capital improvements to the tenants Leased space in the terminal building will be reimbursed to the tenant through a monthly rent reduction.	The improvements have been completed and the tenant occupied the space in June 2006.	24,000	7,000	17,000

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
West GA Hangars	Construction of two (2) 80X120 corporate type hangars on the new West GA ramp currently under construction. The project will leverage \$600,000 in Arkansas Department of Aeronautics grant funds. A portion of the project cost will come from City of Fayetteville General Fund in the form a loan to the Airport fund and will be repaid to the General Fund from the lease revenue.	The second State grant for \$300,000 was approved August 9. The project is currently in design stage.	105,500	105,450	50
West General Aviation Apron	To provide General Aviation Hangar Apron constructed to the north of the terminal building and to redesign the terminal parking lot entrance.	The project is nearing completion. A substantial completion walkthrough has not yet been scheduled.	848,735	848,711	24

Bridge & Drainage Improvements

AHTD Bridge Cost Sharing Program	AHTD bridge replacement program. The City's share is 20% of the cost. The Dead Horse Mountain Bridge has been selected by the Street Committee.	No activity this quarter.	555,017	35,000	520,017
Drainage Study/Phase II Stormwater Mgt	This project consists of numerous separate smaller projects that address the need for watershed drainage studies and compliance with the EPA's NPDES Phase II Stormwater Regulations.	No activity this quarter.	678,313	302,660	375,653
Other Drainage Improvements	Drainage improvements and cost shares as needed.	A cost share with Zion Place, LLC was approved to extend the storm sewer. These improvements helped to eliminate an on-going drainage problem on the downstream properties.	524,135	-	524,135

Fire Improvements

Fire Apparatus Purchases	Purchase of apparatus and miscellaneous equipment.	Purchase of a hose should take place in the fourth quarter.	21,605	7,810	13,795
Fire Apparatus Lease Payments - BoA	Long-term lease purchasing agreement for fire apparatus.	Payments are for the financing of the 2003 and 2004 apparatus purchases and will continue through July 2008.	505,208	371,195	134,013
Fire Equipment/Vehicles - Expansion	Expansion costs for unit #2079 which is a 2005 Chevy 1/2 ton pickup. This unit was originally scheduled as a 2005 replacement unit for #1049. Due to departmental vehicle requirements, an additional unit was necessary that was not anticipated.	This project is complete.	20,206	20,205	1
Fire Facility Maintenance	These improvements will reduce the overall utility and maintenance costs for fire facilities.	Minor repairs being made at central fire station.	14,165	7,602	6,563
Fire Station #3 - Expansion	Renovate the old Tyson facility to accommodate a fire station to replace the existing fire station #3 currently located at Drake field.	An architect has been selected and renderings furnished of the new fire station #3.	1,650,000	95,000	1,555,000
Fire Station #3/#5 - Lease Payment	Bond payments to finance the construction costs of the new fire station #3 and the relocation of fire station #5.	Bond issuance is complete.	370,575	144,151	226,424
Fire Station #5 - Relocation	To construct and furnish a new station in the northern portion of the City to replace the current fire station #5 located at Mission and Crossover.	Construction is 15% complete and the project is ahead of schedule.	1,846,716	1,538,940	307,776

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Grant - Firewise Mailout	This project is for the printing and mailing of Firewise Awareness brochures.	These brochures were mailed out with the September utility bills.	2,500	1,941	559
SCBA Refill System	This project is to add another compressor and fill station for the air bottles to be located at Fire Station 1.	This project is complete.	44,030	44,029	1

Information Technology Improvements

AS/400 Computer Upgrades	This project is for AS/400 iseries hardware and operating system upgrades. These upgrades are necessary to enhance performance, maintain system reliability, and provide adequate storage for expanding applications and data. New versions of software, coupled with an expanding user base, require increasing amounts of resources from the operating system and hardware. Periodic updates to the system allows utilization of technology advances and increases productivity of existing investments.	Specifications are in the final development for the replacement of the City Administration's AS/400.	126,112	8,126	117,986
Accessfayetteville Technical Improvement	This project provided updates and enhancement to the City's website.	Continued update/rebuild of accessfayetteville content management system.	25,201	15,079	10,122
Citywide Software Upgrades	This project provide upgrades to the City's standardized software packages.	No significant activity during this quarter.	3,000	2,996	4
Document Imaging System	This project is for a document management system to provide digital storage and retrieval of the City's official documents. Prior to this project, the City's documents are stored on film, which had a single point for access and retrieval. The document management system provides management of the City's documents and multiple access points for input and retrieval including lookup and view access for citizens from the City's web site.	Continued developing and working through final testing of new document applications, report applications, and Teleform applications. Currently, there are approximately 54,000 documents stored in this system contributed from Accounting, Utilities, Purchasing, City Clerk, and Police. Planning and Code Compliance will begin adding documents during fourth quarter 2006.	71,252	21,549	49,703
Geographic Information System	Build and maintain the City's Geographic Information System.	Continued updating Hansen Assets from the GIS geo-databases. Continued implementation/configuration of Spatialdirect software. Spatialdirect software allows end users to download spatial data in a format of their choice. Continuing implementation/update of the ArcIMS Data Delivery System to assist with data dissemination via the City's website. Expanded GIS downloads will be made available to the public via the City's website during the fourth quarter. Configured and ordered four GIS workstation replacements.	100,227	50,306	49,921
Local Access Network (LAN) Upgrades	Build and maintain the City's Network Infrastructure.	Continued migration of user accounts from NDS to Active Directory. 98% of all users are now using Active Directory accounts. Purchased an additional UPS for the city administration's computer room. Moved and reconfigured unused electrical wiring in the computer room. Began project planning and configuration of an Enterprise System Management Server. Installed and began configuration of a Blade server. Installed wireless bridge at Sequoyah tower and installed larger electrical box to accommodate added equipment. Installed wireless bridge at Township tower with omni antenna. Installed wireless bridge at Mall Police Substation.	100,000	38,269	61,731

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Microcomputer Replacements	To keep user PC hardware up with standards.	Continued purchasing and installing replacement pc's.	47,176	41,781	5,395
Municipal Management System	This project provided a single vendor solution of a Municipal Management System. The system provides management solutions for the City's infrastructure, such as streets, water and sewer lines, vehicles, buildings, etc. and solutions for managing the City's customer/citizen requests, building inspections, and planning processes.	Continued the migration of Water & Sewer assets from AutoCAD/GIS to Hansen and the migration of street segments and developing integration with GIS and AS/400. Continued modifying and fine tuning Case, Permit, and Project applications.	23,345	-	23,345
New World Systems Supplemental Software	These add-on software modules to the City's New World Systems software help leverage the investment in existing software by giving added functionality.	No activity during the quarter.	12,834	-	12,834
Printer Replacements	This is an ongoing project to purchase system and network printers. Several system and network printers have exceeded their expected life. These printers are essential for daily operations. This project ensures that replacement printers can be purchased when needed.	No activity during the quarter.	38,204	3,505	34,699

Library Improvements

Library Computer Replacements	This project provides computer resources for the public and staff. This project provides for the replacement of 20% of the library's computers, as well as funding for computing infrastructure replacement.	Project is complete.	1,175	1,162	13
Library Materials Purchases	This project funds the core library service--materials which includes books and audiovisual items provided to the public.	All materials will be purchased by year end.	298,000	223,612	74,388
New Main Library Building	This project funds approximately 80% of the new 88,000 square foot main library and 212 car parking garage at 401 W. Mountain. The remainder is funded with private donations.	Building was completed in the second quarter of 2006.	3,818	3,817	1

Other Capital Improvements

Automated Field Inspection System	To replace field units that were not Y2K compliant and to provide for the purchase of the Hansen Internet Portal and/or other features to improve customer service. Replacement was delayed until the Hansen project was implemented so compatible hardware/software could be determined and bid.	All software and hardware is in place and inspectors are using the system. The project is complete.	48,020	-	48,020
Building Improvements	Repair and maintain roofs, HVAC, plumbing, and other systems.	Activity during the quarter included work at the Tyson Building and the City Administration Building. At the Tyson Building, work was completed for the Fire Department Training Facility. In the Administration Building, the skylight was repaired and HVAC work was completed in the City Clerk's Office (rewiring and rerunning duct).	400,497	281,984	118,513

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Building Improvements - Leased Buildings	This project addresses unforeseen issues for leased buildings, repair and maintenance of roofs, HVAC, and other major building systems.	During the quarter, work was done on two leased buildings. The Free Health Clinic needed maintenance and repair on the building's HVAC system. In addition, work was done on the Headstart Building to provide new steps on the front of the facility and to seal windows on the west end that were leaking.	15,750	2,340	13,410
Cityplan 2025 Study	The City Plan 2025 will serve as a guide for planning and development over the next 20 years. Dover, Kohl and Partners, an urban design firm, will facilitate the public participation process and create a vision for Fayetteville as well as conduct an economic and transportation analysis.	The City Council adopted City Plan 2025 on July 17. Staff will be presenting the Future Land Use Plan at the October 23, 2006 Planning Commission Meeting.	246,946	237,615	9,331
Copier Purchase Replacements	Copier additions and replacements.	This project is complete.	18,530	18,336	194
District Court Software Improvements	Project to purchase a new District Court software system. The current court software was written in the early 1980's and the current hardware was purchased in 1992. There is no outside support for the current software and little support for the current hardware which requires a proprietary chip for the current software to run. It is expected that this project will be implemented in multiple phases. Phase 1 is dedicated to upgrading Court software and servers and is expected to be complete by year end 2006. Subsequent phases will include development of electronic interfaces with the City's public safety system and financial system. Total cost for Phase 1 is \$245,000.	The go-live date for the District Court Software Improvements Project is scheduled for November 2006. Staff training is scheduled for the first two weeks of October. Data conversion from the NovaDyne System was more time consuming than predicted. All data was provided to MSICG for conversion during the third quarter. Phase I of the study is underway and is on schedule to be completed by year end.	245,000	209,599	35,401
Emergency Ops Center - Wash Co.	City participation with Washington County for the establishment of a combined emergency operations center to be housed in an existing County facility.	Fayetteville, Springdale and Washington County jointly funded a combined emergency operations center and it is operational. This project is complete.	30,000	30,000	-
Flood Damage Repair - 2004	This project addresses the areas affected by the flooding in the Spring of 2004.	Bids have been received for the damage to the water pier at the White River Baseball Park. Staff is awaiting paperwork to issue the notice to proceed.	29,246	12,986	16,260
Historic Preservation Travel & Training	Planning received a grant from the Arkansas Historic Preservation Program to provide training for the Fayetteville Historic District Commission at the State and National level.	Project is complete.	6,100	1,502	4,598
Hwy 71 East Square Redevelop Dist. No. 1	This project included the demolition (or gutting) of six buildings located on West Center Street. The leveled and graded lot is now the building site for a fourteen story hotel to be constructed by private developers. In conjunction with the razing of the buildings, was the relocation of primary and secondary utilities on the site. Also associated with this project will be the construction of some three miles of new and replacement sidewalks and curbs and gutter. This work will be completed by city crews, and the costs reimbursed from project funds.	There is no activity to report during the quarter.	207,909	-	207,909
Impact Fee Study - Street/Fire/Police	This project updated the road impact fees based the street bond program and estimated costs.	This project is complete. The update was distributed to the Fayetteville Street Committee in May 2006.	1,600	1,600	-

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
P.E.G. Television Center - Equipment	Replace equipment up to 12 years old and add expansion of equipment; add two editing systems, editing room construction, field cameras, studio cameras, cable casting equipment, character generation equipment, lighting system, VCR replacement, DVD equipment, monitors, and computers.	Three new nonlinear editing systems and minor production equipment was purchased.	80,547	9,771	70,776
Replacement Copier Funds	Project to replace copiers as existing leases are completed or City owned machines have reached their useful life span.	Currently all copiers are in good condition. District Court's copier will have to be replaced in 2007. It is currently on the last year of a five year lease.	142,246	-	142,246
Shelter Quarantine Upgrade	A new exhaust system installed in the cat room, cat quarantine and dog room area of the shelter. The exhaust fan system was placed low at the floor, assisting the flow of air out of the designated areas. The system assists in preventing upper respiratory infection and kennel cough along with other airborne diseases. The exhaust fan was installed in the cat room after new cat adoption cages were installed. A sink was installed in the cat room for additional sanitation and disease control. A window was added to the cat room.	The project was completed June 2006.	9,471	6,100	3,371
Special Census - 2005	The City has contracted with the Census Bureau to conduct a Special Census for Fayetteville. The total cost of this effort is expected to be approximately \$962,000 and is predicted to return approximately \$3 million in additional state turnback funds between October 2006 and May 2010. The Street Fund is expected to receive approximately \$2.0 million and General Fund is expected to receive \$1.0 million.	The Special Census for Fayetteville has been completed. Reports were transmitted to the City in September.	474,540	474,434	106
Telecommunication Systems Upgrades	This is a telecommunications system upgrade for the Transportation and Parks facilities. The City currently has 13 telecommunications systems located throughout various facilities and five of those systems are outdated and are no longer supported by Nortel Technologies. Upgrades to these systems are essential to ensure no "down time" due to failing software and/or hardware. If any of these systems fail, these facilities will be without telephones until a new system can be acquired and installed. The systems affected by this upgrade are located at the Shop/Park facilities, Engineering and Planning Building, Central Fire Station, Airport, and the Animal Shelter.	Installation of a new telecommunications system at Central Fire Station is scheduled for the fourth quarter.	28,253	-	28,253
User Fee and Cost Allocation Plan	This project is to conduct a comprehensive user fee study that will provide City Council and City staff the full cost of services. This will be the first user fee conducted for the City since 1991.	The City Council passed resolution 119-05 adopting a User Fee Cost Recovery Policy for City Services. Staff will be presenting various ordinances adopting user fees for specific areas throughout the fourth quarter.	4,060	3,100	960
Utility Rate & Financial Planner Software	Purchase and maintain software from CapitalSoft for the purpose of utility rate studies.	Testing will continue through 2006. The system should be operational by the first quarter of 2007.	-	-	-
Wash Bay & Covered Storage Improvements	Installation of an additional drive-thru wash bay and a storage shed at Fleet Operations. This project will be completed in conjunction with project 06012 Automatic Vehicle Wash System.	The RFP evaluation committee has been appointed and is reviewing the RFP for advertising in the fourth quarter.	35,360	-	35,360

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Parks & Recreation Improvements					
Botanical Gardens/Lake Fay. State Grant	A grant from the Arkansas Department of Parks and Tourism will assist with the construction of Phase 1A of the Botanical Gardens at Lake Fayetteville. Phase 1A includes completion of the Administrative Offices, a Great Lawn, several themed gardens, a trail around the facility, and a parking lot.	Phase 1A is currently under construction and the grant portion of the project began in May and should be completed in the fourth quarter of 2006.	115,128	71,879	43,249
Community Park Development	Purchase and develop a multi-purpose Community Park according to the Parks and Recreation Master Plan. Cummings property was selected for the community park site by PRAB and Park Staff. On September 7 2004, a resolution approving the mayor to enter into a contract with SouthPass Development was approved. This included the donation of 200 acres and 1 million dollars for the development of the park. Terracon Consultants, Inc. completed a work plan (\$1,500) that described all necessary studies needed to determine the impact of the 33-acre landfill located within the property. Estimated cost of the complete study is \$50,000. Staff is working with ADEQ for potential funding of land fill remediation.	The City has received a deed for the landfill. Staff is working with ADEQ to begin the process for remediation.	1,689,970	217	1,689,753
Forestry, Safety, & ADA Compliance	Funds were used for the Celebration of Trees give-away, a tree inventory the Community Tree Planting Initiative program, and grants. Funds also to be used for unforeseeable emergencies occurring due to inclement weather, vandalism, replacement, or renovation of park amenities to meet ADA/Safety standards.	Irrigation for the tree and sod farm is complete and the sod farm has been sprigged. Staff spent \$3,125 on White River Dugouts for safety screening.	103,481	46,346	57,135
Gordon Long/Red Oak Improvements	Trail and drainage improvements are needed at Red Oak and Gordon Long Parks. Water runoff from adjoining subdivisions discharges into the lower valley of Red Oak Park creating an erosion problem for the park trail, tree root erosion, and various park amenities. Gordon Long Park has two low water bridges that need to be renovated. This project will improve the safety and usability of the bridges over Skull Creek. The trail at Gordon Long also needs improvements.	Staff met the Arkansas Game and Fish Stream Team on August 30. City Engineers is assisting with this project. The grant submitted to assist in this project was denied.	145,954	-	145,954
Gulley Park Improvements	Funds will be used to add a parking area in Gulley Park.	Staff is working with the U of A to evaluate the project and prepare bid documentation.	80,079	3,906	76,173
Lake Fayetteville/Sequoyah Improvements	An ADA accessible restroom will be installed to the Lake Fayetteville Boat dock recreation area. The Lake Sequoyah boat docks are being evaluated for replacement/renovation. \$12,000 was approved to replace the bleacher cover at Field # 3, resod ball field access, concession building renovations, and restripe the parking lot at Lake Fayetteville Softball Complex.	Staff continues to assess the feasibility of the boat dock for replacement. Evaluation of the Lake Sequoyah project is scheduled to be completed in the first quarter of 2007. The Lake Fayetteville boat dock's completed projects include the restroom, renovation of a bleacher cover and concession stand, resodding of fields, and the parking lot stripping.	165,199	40,720	124,479
Lights of the Ozarks	Lights of the Ozarks is a display of more than 400,000 lights on the downtown square that runs from Mid-November until New Years.	Design was completed and the lights were ordered in September. The installation will begin in October 2, with the lighting ceremony scheduled for November 18.	45,826	3,754	42,072

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Mount Sequoyah Land Purchase	The City of Fayetteville purchased 68 acres on Mt. Sequoyah in 2003 for \$700,000 with 3% interest until paid. This park is Mt. Sequoyah Woods located at 100 N. Summit Avenue.	Property has closed. The payment plan extends five years to 2008. In 2006, \$153,000 will be paid. Two remaining payments will be made in 2007 and 2008.	153,000	152,600	400
Neighborhood Park Development	Funds are used to develop new neighborhood parks. Braden Park, St. Joseph Park (Lafayette Lofts), Salem Meadow, Asbell Pavilion, Dale Clark Park, Walker Park Lighting and Legacy Pointe Park.	Sub 2) St. Joseph Park is receiving donations for trees from the neighborhood. In addition, a dogpot waste system has been purchased and installed. Sub 3) Salem Meadows Park continues in the design phase. Sub 4) Asbell Pavilion continues in the design phase. Sub 5) Dale Clark Park signage design is complete and in process for approval. The sign design will be presented to PRAB on October 2, 2006. Sub 6) Walker lighting design and bids are complete. The construction bids came in over budget and staff is evaluating options to reduce pricing. Sub 7) Legacy Pointe continues in the design phase. Public meetings were held on September 14 and 21 to present the Master Plan and prioritize projects. Staff will present to PRAB on October 2, 2006 for approval of the Master Plan and funding from Park Land Dedication SW Quadrant.	328,002	37,045	290,957
Other Park & Safety Improvements	Improvements to Wilson Park east bridge and renovations to the Parks and Recreation Office.	Wilson Park bridge bid is scheduled for the Spring of 2007.	165,004	-	165,004
Park Beautifications	Additional flowerbeds were requested at several of the Parks and Recreation Master Plan public meetings.	Project is complete with remainder to be used for Gully Park Bio-swale plantings. The Bio-swale is to be bid in the first quarter of 2007.	97,234	43,417	53,817
Playground & Picnic Improvements	Replacement of old equipment at playgrounds and picnic areas.	Finger Park Playground contract was awarded in the amount of \$139,997 at the City Council meeting on August 1. Grant Funding was requested through Arkansas Parks and Tourism Outdoor Recreation Grant Program for playground replacement and a picnic area for Sweetbriar Park. This grant is for 2007.	254,700	147,572	107,128
Skate Park	The construction of a new skate park facility located at Walker Park.	Parks Maintenance staff is constructing the berm. The irrigation will be contracted in October and trees will be planted on the berm in December.	23,831	371	23,460
Tennis/Basketball Surface Renovation	Renovation of Wilson and Walker Park Tennis and Basketball Courts. The resurfacing of the basketball courts at Wilson Park are complete. In 2006, staff will complete the walkway from the west parking lot to connect the basketball court. At Wilson Park benches/bollards will also be added in summer 2006. This project includes resolving retention and drainage issues.	Walkway construction is scheduled to begin in November.	10,517	-	10,517
Walker Park Senior Complex	This project is for the new senior center at Walker Park.	During the third quarter, maintenance work was done on the building's HVAC system.	23,550	5,345	18,205
White River Baseball Complex Improvement	Replace ball field lights on two fields at the White River Baseball Complex. These are the original lights installed at the complex. The lights do not meet current standards for recreational or competitive play, which creates a hazard for players, coaches, and umpires. The remaining funds will be used to demolish the dugouts, old concession building, replace the old dugouts, and install a new storage shed.	Project is complete.	10,502	13,624	(3,122)

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Police Improvements					
COPS Methamphetamine Training Grant	Federal Grant for the addition of one officer and the equipment and training to help combat the Methamphetamine epidemic in Washington and Madison Counties.	This grant was extended until December 31, 2006. An adjustment was requested and approved to reallocate contract money into the training account. Final training is set for October. Supplies will also be ordered in October to complete the grant.	51,590	23,402	28,188
Joint Public Safety Command Center	The funds are to purchase a minimum of five acres of property to construct an 80,000 square foot Public Safety Facility to house Police, Fire Administration, Dispatch, District Court, and the Prosecutor's Office.	A/E selection has been completed for this facility. Wilson/Estes will design the building. The next step will be to secure funding (around \$15m). Possible sources of funding will be explored at the next committee meeting.	400,000	2,449	397,551
Justice Assistance Grant	A grant for the purchase of computer equipment for police vehicles in Fayetteville totaling \$41,373. Also included is \$26,175 for the Springdale Police Department to purchase Tasers and portable radios. Washington County will receive \$16,887 to support upgrading the In-car video system to digital.	Will purchase five computer systems for police vehicles. Any balance will be utilized to purchase bar code readers or in-car digital video.	41,373	37,622	3,751
Justice Assistance Grant - 2006	This grant will support the E-ticketing project.		-	-	-
Police Building Improvements	This project includes the following: the addition of electrical service residing on the emergency generator; making the front entrance handicap accessible and replacing exterior locks; and the improvement of the flooring. The floor tiles have become loose, cracked and uneven causing unsafe conditions.	The handicap entrance and new security locks were installed. The carpet in the front of the Records Division was replaced. Plans are being developed to improve signage on the front of the building for easier citizen recognition.	34,226	27,889	6,337
Police Technology Improvements	This project provides for the upgrade and replacement of computer and networking equipment which is obsolete and malfunctioning or additional computers and software to support on-going Police Department needs. By providing updated equipment, officers will be kept informed of pertinent records.	The WAN from the Northwest Arkansas Mall Community Oriented Policing Office back to the Police Department is complete. The balance will be used to continue to support Police Technology Improvements.	54,000	39,427	14,573
Police Unmarked Vehicles	The Police Department utilizes unmarked vehicles for a variety of tasks, such as gathering intelligence. Other tasks include the following: Conducting pre-raid intelligence for ERT deployment; Conducting narcotics operations; Patrolling for vandals; Patrolling for burglars and thieves; Conducting alcohol enforcement patrols; Conducting surveillance for all the above activities; and Any activity that must be kept covert.	The balance of \$800 will be transferred to help complete the funding of the Police Emergency Response Vehicle.	13,000	12,200	800
Specialized Police Equipment	Items charged to this project will be the replacement of surveillance equipment as new technology becomes available, funding to complete the mobile video project and additional equipment for patrol such as tasers, night vision and gas masks.	Mobile video project for the motorcycles has been purchased. The installation will occur in the fourth quarter.	2,818	2,817	1

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Solid Waste Improvements					
Composter/Mulcher ADEQ Grant Purchase	Grant funding of \$40,000 from the Arkansas Department of Environmental Quality passed through the Boston Mountain Solid Waste District to purchase bagger equipment to sell compost and mulch by the bag and \$8,000 in grant funding to purchase storage containers for recyclable commodities.	A change order to the Boston Mountain Solid Waste District and the ADEQ was accepted and existing funds left in the account will be used to purchase a baler if approved in the 2007 budget.	5,481	-	5,481
Composting Site Improvements	Improvements to the compost site are needed to expand the capacity of the operation due to increases in the volumes of yard waste collected. The Arkansas Department of Environmental Quality has cited the facility for non-compliance in the past concerning improper rain run-off at the site. The compost site needs new equipment and operating pad improvements. The composting office area and approach are in need of concrete and asphalt as well as grading around the building.	Staff is working with Transportation to build concrete roads in between rows for helping the drain pad and abide by the Storm Water Pollution Prevention plan as adopted by the Division when securing the permit for storm water at the compost site.	35,648	14,472	21,176
Recycling Improvements	The SAC recycling trucks need modifications to the storage bins located on the truck body. These design improvements will enable employees to more efficiently handle and process the growing volume of recyclable materials generated through the weekly curbside service.	No work was performed during this quarter. Additional work for modifications could occur in the future.	22,620	-	22,620
Roll-Off Recycling Boxes ADEQ Grant	Grant funding provided by the Arkansas Department of Environmental Quality and passed through the Boston Mountain Solid Waste District to purchase roll-off style recycling boxes for the Community Recycling Drop off area.	A change order to the Boston Mountain Solid Waste District and the ADEQ was accepted and existing funds left in the account will be used to purchase a baler if approved in the 2007 budget.	3,251	-	3,251
Solid Waste Radios	Radios are needed to replace broken radios and for more communication needs.	Radios were ordered in the quarter.	5,600	-	5,600

Street Improvements

Duncan/California/Harmon Intersections	This project is for the addition of turn lanes for the intersections of Duncan Avenue and Center Street and Harmon Street and California Boulevard.	Design is scheduled to begin in 2006.	80,000	-	80,000
Fayetteville Economic Corridor	The City of Fayetteville received a grant from the Federal government for \$9,000,000 to improve the primary economic corridor of Fayetteville. This area is identified as the Northwest Arkansas Mall and the CMN Business park.	An engineering firm has been selected to do the preliminary study. Study is expected to be completed in March 2007.	2,000	1,950	50
Garland - I-540 to Howard Nickell	This project is for the widening of State Highway 112 (Garland Avenue) from the interchange at Interstate 540 north to the intersection with Howard Nickell Road. The project is included in the Transportation Bond Program. The total estimated project cost is \$3.66 million.	Selection of an engineering consultant has been made. Contract negotiations are in progress.	168,000	-	168,000
Gregg - Fulbright to Township ROW	This project is to purchase right-of-way to widen Gregg Avenue approximately 6,200 feet from Township Road to the Fulbright Expressway, as part of an Arkansas Highway and Transportation Department (AHTD) road-widening cost share project.	Project complete.	28,823	-	28,823

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Highway 265 ROW, Mission to City Limits	Right-of-way acquisition for the widening of Hwy 265 from Mission to the northern city limits from three lanes to five lanes. The City has agreed to a 50/50 cost share arrangement with the AHTD. The estimated cost of the City's portion is \$7 million. The funding is proposed to come from the transportation bond issue.	It is anticipated that the construction plan design will begin in 2006. The AHTD has scheduled this project for 2007.	-	-	-
Huntsville - Happy Hollow to Stonebridge	This project is the widening of sections of State Highway 16 (Huntsville Road) from the intersection of Happy Hollow Road east to Stonebridge Road. Total estimated project cost is \$2.8 million. AHTD is participating in the amount of \$1.7 millions. The remainder of funding is included in the Transportation Bond Program.	AHTD will provide design services for the project.	200,000	-	200,000
Huntsville & Happy Hollow - Intersection	This project is for intersection improvements at Huntsville Road and Happy Hollow Road, including reconfiguration of the intersection and the installation of a traffic signal. This project is recommended by the citywide traffic study.	The contract for construction has been awarded. Construction began in January. The construction is substantially complete.	1,380,445	1,345,598	34,847
Kings Drive Improvements	This project is to repair the portion of Kings Drive located from the intersection with Lakeside Drive northward approximately 750 feet.	Design is complete. Bids are scheduled to be received on October 12th.	516,503	76,382	440,121
Morningside Dr & 15th St - Signalization	Intersection improvements and signalization at the intersection of Morningside Drive and 15th Street. The project will be designed and constructed by City staff.	AHTD has approved the proposed signal at this intersection and issued a permit for construction. Right of way acquisition is underway.	220,530	60,060	160,470
Mount Comfort & Shiloh - Right-of-Way	This project is for right-of-way acquisition and preliminary design of a major intersection and re-alignment of Mount Comfort Road at the intersections with Shiloh Drive, Deane Solomon Road, and I-540. Construction for this project is included in the Transportation Bond Program. Estimated project cost is \$5.4 million. This project has been combined with 04014.	A design contract has been awarded. Preliminary design is underway.	400,000	-	400,000
Mount Comfort Road - Widening & Turn Lane	This project will widen Mount Comfort Road from Ruppel Road to Shiloh Drive to Futrell Drive from two to four lanes. This project is included in the Transportation Bond Program. The total estimated project cost is \$6.2 million. This project will be combined with project 05011.	A design contract has been awarded. Preliminary design is underway.	550,000	-	550,000
Other Intersection Improvements	This project will allow for miscellaneous intersection improvements where needed and identified in 2006.	No projects have been identified to date.	200,000	-	200,000
Ruppel Road - Wedington to Mt. Comfort	This project is for the widening of Ruppel Road to a four lane boulevard section from Wedington Drive to Mount Comfort Road. This includes the realignment at Mount Comfort Road to line up with Ruppel Road north of Mount Comfort Road.	Currently on hold pending approval of cost-sharing agreements with developers along Ruppel Road.	500,000	-	500,000
Street ROW / Intersection / Cost Sharing	Street ROW, intersection projects, and cost shares with private development as needed.	No cost shares this quarter.	2,306,694	1,396,757	909,937
Township Widening - Gregg to N College	This project will expand Township Road from two to three lanes for approximately 2,400 feet between Gregg Avenue and North College Avenue and includes anticipated right-of-way acquisition and the expansion/replacement of the crossing over Sublet Creek.	This is a multi-year project that began in the third quarter of 2005. The project is scheduled to be bid in mid 2007.	2,053,810	37,383	2,016,427

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Van Asche - Gregg to Garland	This project is the extension of Van Asche Drive as a four lane boulevard from Gregg Avenue to Garland Avenue.	The funding for this project has been transferred to project # 05027.	320,000	-	320,000
Van Asche Boulevard - Cost Sharing	This project is the extension of Van Asche Boulevard approximately 1,600 feet from Gregg Avenue to the existing street located in the CMN Business Park. The City will be reimbursed 50% of the costs from the developers of the CMN Business Park upon sale of 75% of the property in Phase I.	Garver Engineers has completed the design for this project. Bids have been received and the contract has been awarded to Sweetser Construction.	1,877,538	131,710	1,745,828

Transportation Improvements

Dickson Street Parking Equipment	This project is for the purchase and placement of parking revenue collection machines in the public parking lots in the Dickson Street area.	This project is still pending City Council approval and is currently unfunded.	-	-	-
In-House Pavement Improvements	Overlay and street improvements needed to preserve the infrastructure.	Asphalt milling and overlay improvements continue throughout the City with several projects currently under way. During the quarter, 1.96 miles of asphalt overlay were completed. These projects included Duncan, Putman, Treadwell, Hill, Southern Heights, Rodgers, Lighton Trail, and Maple.	1,462,293	1,399,121	63,172
Lake Fayetteville Trails	Projects include developing trail maps, mile markers, signs and kiosks.	Trail maps will be completed in October 2006. Kiosks are being designed and expected completion is December 2006.	60,800	19,811	40,989
Parking Deck Rehabilitation	Rehab on the municipal parking deck located on the east side of the Radisson Hotel.	This project was completed during the quarter.	195,527	147,249	48,278
Parking Management System	This project is to purchase, install, and implement a new parking management software system and new handheld citation equipment.	The development of the interface is underway and scheduled for completion by the first quarter of 2007.	3,310	-	3,310
Parking Lot Equipment Improvements	Parking access and revenue control equipment replacement in the downtown area. The equipment provides access control into all three levels of the municipal parking deck and three surface parking lots. It also includes revenue control equipment at two levels of the municipal parking deck. Equipment includes four proximity card readers, two magnetic card readers, two revenue control stations, eight parking gates, all entrance and exit detectors and loops, one system server, and all related software to provide a fully integrated and modular system.	This project was completed in the third quarter of 2006.	59,895	58,826	1,069
Parking Lot Improvements and Overlays	The City currently has 12 public parking lots that are in the Downtown Square and Dickson Street areas. These are all asphalt surface lots that periodically require general maintenance such as crack seal, seal coat, re striping, pot hole patching, and bumper block replacement. These lots also require a complete asphalt overlay on a less frequent basis. This parking lot maintenance schedule will provide an overlay of one parking lot annually and general maintenance of the other lots as needed.	The employee parking lot located on West Mountain Street is scheduled for repair in 2006. This work was scheduled to begin late-summer, but staff discovered more extensive repairs are needed. 2006 funds will be combined with 2007 funds to cover the needed repairs next year.	23,000	-	23,000

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Scull Creek Trail Corridor	Multi-Use Trail-design and construction of approximately 5.5 miles along Scull Creek. This trail will run from Dickson Street to Mud Creek Trail. This project will include multiple bridges, grade separated street crossings, and trail amenities.	The section of the trail from Appleby Road to Fulbright and from Appleby Road to the Gordon Long Park are currently under construction.	555,000	169,160	385,840
Sidewalk Improvements	To continue improving sidewalk connectivity throughout the City.	During the quarter, 9,967 linear feet of sidewalk, 8,938 linear feet of curb, and 28 ADA access ramps were completed. Some of the new sidewalks were constructed on Hall Avenue, 51st Street, and Sheryl Avenue.	705,433	416,831	288,602
Traffic Signal Improvements	Includes two M.U.T.C.D. signal installations per year as warranted, a project to install battery back up systems and overhead video detection at critical intersections.	Completed change out of all decorative lighting on Dickson Street for Bikes, Blues and BBQ. Replacement of three detector loops destroyed by contractors and the Water & Sewer Division. Reviewed and made changes to 6th Street and I-540 and Wedington and I-540 intersection signal programs and the replacement of Wedington and Shiloh signal cabinet to support the new configuration. Installation of new signal at 6th Street and College to bring it up to Federal standards. This was done with recycled equipment from previously upgraded signals at minimal cost. Staff has finished 75% of the installation of all signs in new subdivisions.	165,059	111,745	53,314
Trail Development	Funding is needed for trails and/or for the purchase of additional park land according to the Parks and Recreation Master Plan and the Alternative Transportation and Trails Plan. As new trail project contracts are approved by City Council, funding is taken from this project to a new project number in order to track the new trail. Upon completion of the trail, the funding is transferred back to this project to be held in one account.	During the quarter, the trail crew has Scull Creek Trail under construction and are currently awaiting permits to begin work at Clabber Creek.	1,700,556	535,374	1,165,182
Trimmer/Slipform Paver & Curb Machine	This project will purchase a trimmer/slipform machine which installs curb and gutter along streets or sidewalk sections. This equipment will increase productivity and efficiency of the Transportation Division's overlay and sidewalk programs by reducing the reliance on outside contractors that assist in the installation sidewalk and curbing projects. Control over timing of installation of curb will allow for shortening the overall length of projects, resulting in less disruption to public transportation.	The trimmer/slipform paver and curb machine has been purchased.	195,000	-	195,000

Vehicles & Equipment Improvements

Automatic Vehicle Wash System	Purchase and install an effective automatic wash system for large City vehicles. This system will replace a system that has been in place for eight years that is provided at no charge under an exclusive chemical purchase contract. The contract has expired. The proposed system will provide a superior quality of wash at a lower overall cost of ownership and operation than the existing system. The wash system will be installed in an existing bay on the Fleet Maintenance building that houses the current system.	The RFP is complete and a selection committee has been chosen. The Equipment Committee is reviewing the RFP for advertising in the fourth quarter.	170,000	-	170,000
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Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Backhoe/Loader - Expansion	The purpose of this project is to purchase approved expansion backhoes and loaders. The Water & Sewer Maintenance Division will be receiving one front end loader in 2006.	The loader has been received.	135,000	113,749	21,251
Emergency Response Team Vehicle	An Expansion Emergency Response Team vehicle for the Police Department.	This unit has been received. As soon as graphics are completed - the unit will be assigned to PD.	187,960	188,455	(495)
Fire Vehicles/Equipment - Replacement	Unit #1049 is scheduled for replacement for the Fire Department.	This unit is in service.	25,000	21,794	3,206
Fleet - Back Hoe/Loaders	Fleet will be replacing a loader, unit 639 for the Transportation Division and a backhoe, unit 641 for the Parks & Recreation Division.	Project is complete. The backhoe and loader have been received.	211,000	157,197	53,803
Fleet - Construction Equipment	In 2005, Fleet scheduled unit 943, a forklift for replacement for Water & Sewer Division. This will be ordered in 2006.	Unit has been ordered.	321,145	304,990	16,155
Fleet - Light/Medium Utility Vehicles	In 2006, Fleet will be replacing the following units with small pickup trucks unit 142 for Fleet Operations; unit 239 for the Wastewater Treatment Plant; units 240, 241 and 2006 for the Engineering Division; unit 244 for Parking & Telecommunications Division; units 248 and 2025 for the Water & Sewer Maintenance Division; unit 250 for the Building Services Division; units 254 and 2005 for the Parks & Recreation Division; units 256, 275, 2004, 2007, and 2019 for the Meter Operations Division; and units 317, 732, and 733 for the Transportation Division.	All replacement units (except for unit #317) have arrived and are assigned. Fleet is obtaining quotes on a truck body for the replacement of unit #317 as well as bids on the cab and chassis.	624,324	508,988	115,336
Fleet - Medium/Heavy Utility Vehicles	In 2006, Fleet Operations will be replacing unit 717 for the Water & Sewer Maintenance Division and unit 723 for the Transportation Division. Fleet will also be purchasing four trucks for the Transportation Division/Trail Project - expansions approved in 2005 which have also been ordered.	All replacements for units have arrived and assigned to divisions.	673,149	553,810	119,339
Fleet - Other Vehicles/Equipment	Units scheduled for replacement in the 2005 budget are: 84 a sweeper for the Transportation Division - funds were rebudgeted. In 2006, Fleet is replacing unit 82, a water pump for the Wastewater Treatment Plant and unit 79, a Jet wash truck with one Self Propelled concrete saw.	Fleet is getting specifications on these units. Due to the time necessary for completion of the process, these funds will have to be rebudgeted to 2007.	363,882	135,237	228,645
Fleet - Police/Passenger Vehicles	Units scheduled as "most likely to be replaced" for the Police Department in 2006 are: 1022, 1024, 1034, 1037, 1044, 1075, and 1082. These will be replaced with Police Crown Interceptors. Unit 118 for the Water & Sewer Division, unit 1002 for the Aviation & Economic Development Division, unit 1023 for Fleet Operations, and unit 1048 PD K-9 unit will be replaced. Unit 215 for Current Planning Division and units 234 and 1009 for community Resources and Code Compliance Division are to be replaced with Honda Elements.	2007 Crown Interceptors will be ordered in November. Replacements for units 118, 1002, 1023, 1048, 215, 234, and 1009 have arrived.	542,939	280,061	262,878
Fleet - Sanitation Vehicles/Equipment	Two front load refuse trucks (#443 & #445) were due for replacement in 2004 - funds were rebudgeted. Two rear load refuse trucks (#446 and #447) are due for replacement in 2005 - funds were rebudgeted. Three recycle trucks (#448, #449, and #450) are scheduled for replacement in 2006.	Replacements for units 443 and 445, front load refuse trucks, are in service.	1,589,622	1,265,599	324,023

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Fleet - Tractor/Mower	In 2006, several units are scheduled for replacement: Units 552, 561, 568, 569 and 949 for the Parks & Recreation Division; Unit 559 for the Aviation & Economic Development Division; and Units 556 and 9004 for the Wastewater Treatment Plant.	Funds for Unit #556 for the Wastewater Treatment Plant will be rebudgeted to 2007. The Wastewater Treatment Plant has decided that they do not need to have unit #9004 replaced at this time. Funds will be rebudgeted to 2007.	188,000	107,805	80,195
Fuel Storage Improvements - Replacement	Upgrades and repairs to fuel pumps and equipment. A re-evaluation of the entire fuel delivery process has been conducted. Above ground fuel tanks and pumps are going to be installed at the Fleet Operations location. Fleet will begin using a diesel/bio-diesel blend. The Gasboy fuel system will be replaced with a new system.	Engineering studies are underway.	19,900	19,900	-
Light/Medium Trucks - Expansion	The purpose of this project is to purchase approved expansion light and medium trucks. In 2006, two expansion pickups have been approved for the Water and Sewer Improvement Project managers.	The trucks have been assigned to the user division.	31,836	30,754	1,082
Other Vehicles/Equipment Under \$10,000	Non Motor Pool equipment that costs less than \$10,000.		80,237	16,449	63,788
Police/Passenger Vehicles - Expansion	This project has \$55,000 to cover two Taurus expansions - one for the Police Department and one for the Fire Department and one expansion Harley Davidson Police Motorcycle.	The motorcycle has been ordered.	64,029	51,329	12,700
Solid Waste Equipment - Expansion	The purpose of this project is to purchase approved expansion sanitation vehicles and equipment. The Solid Waste Division will receive two side arm refuse trucks in 2006.	The two trucks have arrived and are in use.	450,000	397,908	52,092

Wastewater Treatment Improvements

Computer System Upgrades - W.W.T.P.	Replace SCADA workstations at water and sewer and wastewater plant control rooms and database computers for maintenance and operations at the wastewater plant.	No activities in this project during the quarter.	6,000	-	6,000
Plant Pumps and Equipment - W.W.T.P.	To purchase and/or repair aerator motors and aerator gear boxes. The equipment is essential for the treatment process.	No activity on this project during the quarter.	107,929	32,854	75,075
Testing Equipment - W.W.T.P.	Replace outdated or obsolete laboratory equipment.	No activities in this project during the quarter.	12,267	6,733	5,534
Upgrade/Replace Lift Stations - W.W.T.P.	Repair, replacement, and improvement of pumps and equipment for lift stations.	No activities in this project during the quarter.	122,683	9,820	112,863
W.W.T.P. Building Improvements	Repair, improvement, and replacement of buildings.	No activities in this project during the quarter.	41,000	-	41,000

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Wastewater System Improvements Project	The Wastewater System Improvement Project (WSIP) significantly increases the City's wastewater system capacity. The design is expected to treat the wastewater for 115,000 people, increasing wastewater treatment capacity from 12.6 to 21.4 million gallons per day, and reduce the number of sewer system overflows due to rain and ground water. It also improves odor control facilities system wide. Major construction elements of the project include: (1) Constructing a new West Side Wastewater Treatment Plant; (2) Constructing 21.6 miles of new or replacement sewer transmission pipes and two pump stations in the north and west areas of the City to carry the wastewater to the new West Side WWTP; (3) Upgrading the existing WWTP; (4) Constructing 9.3 miles of new or replacement sewer transmission pipes and replacing, modifying, or upgrading six pump stations in the south and east areas of the City; (5) The project also involves work including constructing 25.5 acres of wetlands, over one mile of roadway, ½ mile of water pipe, engineering design and construction inspection for all aspects of the project, easements for the pipelines, and all of the associated permitting and coordination with the Corps of Engineers, Arkansas Department of Environmental Quality, the Arkansas Natural Resources Commission, the Beaver Water District, various Oklahoma agencies, and others (\$34.0 million); (6) A lift station and approximately four miles of associated pipe line work to service Farmington and the Fayetteville area immediately east of Farmington (\$4.7 million shared by Farmington and Fayetteville). The project is funded through a combination of a \$42 million sales tax bond issue approved in September 2006, a \$125 million sales tax bond issue approved in November 2001, system revenues, developer impact fees, and the sale of land at the West Side WWTP site.	Construction is underway for the following projects: i) West Side Wastewater Treatment Plant substantial completion May 2008; ii) Noland Wastewater Treatment Plant substantial completion May 2007; iii) WL-5, force mains from the Hamestrung Lift Station to the Broyles Road WWTP substantially complete; iv) WL-1 and 3, Gravity Lines from Old Wire Road to Gregg Avenue, and from Porter Road to Hamestrung Lift Station, substantial completion in March 2007; v) WL-4, Gravity Lines and Force Main from Gregg Avenue Lift Station to Hamestrung Lift Station, substantial completion in October 2007; vi) WL-6 Hamestrung lift station estimated completion December 2007; and vii) The electrical line relocation on Broyles Road, substantial completion in April 2007. Construction will begin in May for the Hamestrung Lift Station, substantial completion December 2007. Easement acquisition is underway for the east side lines.	114,765,766	107,809,686	6,956,080

Water & Sewer Improvements

24" Waterline Improvements & Replacement	Install approximately 2,000' of 24" water main in the north-south easement west of and parallel to West Custer and 3,000' of 24" water main parallel to Lewis Lane, off Morningside Drive, to replace the existing 24" water line that has experienced numerous leaks due to external corrosion. An additional 1,000 feet of pipe was added to this scope of work because it needed to be lowered for sewer line construction, and it will cost the City much less to do all of the 24" line work under one contract. The additional cost will be borne by the WSIP project.	Construction should begin in the fourth quarter of 2006.	1,081,050	971,253	109,797
36" Waterline Replacement & Protection	Analysis of the corrosion problems on the main 36-inch water supply line from Beaver Water District including the recommendation and construction of appropriate action and corrective measures.	Surge tank repainting project is under contract. Waterline improvements are to be bid in October 2006.	962,326	399,146	563,180
Broyles Road Extension Improvements	The widening and improvement of Broyles Road from Persimmon to Sellers Trail to comply with Fayetteville development requirements and to provide a suitable access to the west side wastewater treatment plant.	This road construction portion is deferred until after the heaviest portion of the WWTP construction is completed and will probably bid in early 2007. The design is complete.	110,897	-	110,897

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Collection System Capacity Management	Project involves updating a computerized sanitary sewer collection model for the Fayetteville system and performance of a specific number of analyses for new developments. The model evaluates the ability of the system to accommodate a particular loading increase.	The analyses of the additional scenarios will occur as developments warrant.	13,764	1,802	11,962
Farmington Sewer Rehabilitation	This project is a cost share with Farmington based on the arbitration agreement. This project reduces sanitary sewer overflows and reduces wastewater flows to the treatment plant. The work being done in this project will not be abandoned when the new plant goes on line. This is a sub-project to the City-wide sanitary sewer rehabilitation project.	Pipeline design is approximately 90% complete. RJN is preparing documents to submit to the EPA and ANRC to ensure that the project qualifies to use STAG grant funding.	541,831	176,905	364,926
Gregg - Waterline Relocation	The relocations and improvements of a 12" and an 18" water main along Gregg Avenue between Sycamore Street and Van Asche Boulevard, including a new interconnection underneath the Fulbright Expressway between the CMN Business Park and the Medical Center.	Construction is complete.	267,587	241,733	25,854
Gregg Street Lift Station Remediation	Remediation of the underground storage tank ferrous chloride leak at the Gregg Avenue sewer lift station.	Remediation is complete. A final report was submitted to ADEQ and the closure report received. Remaining funds are being used to remove the remaining underground storage tanks at other sewer lift stations and at the Noland Wastewater Treatment Plant. Work at the Noland WWTP will be completed in late 2006. Work at the other three lift stations will be complete in early 2007.	150,469	130,178	20,291
HWY 62 Waterline Relocation Farmington	The work relates to the relocation of the water mains along Highway 62 in Farmington. The Fayetteville water main is in conflict with the planned highway widening and improvement.	Construction is complete.	709,577	341,486	368,091
Mount Sequoyah Pressure Plane Impvs	Water distribution improvement project to correct deficiencies in the Mount Sequoyah Pressure Plane. Private development activities will install water piping and contribute funds to construct new storage in partnership with the City to address the pumping and storage needs of this subsystem.	The evaluation of alternatives is complete. The selection of alternatives will be taken to the Water/Sewer Committee and then an engineering contract can be awarded for the design of the pumping, piping, and storage requirements.	1,095,883	117,334	978,549
Mount Sequoyah W&S System Upgrade	A study and design project to replace numerous leaking and outdated water and sanitary sewer mains on Mount Sequoyah, in particular those currently under houses and outside known easements and to ensure that existing residences have legal service connections.	It is anticipated that the design will be complete in the fourth quarter of 2006.	1,722,613	474	1,722,139
North College Waterline - Maple to North	Relocations and improvements of the water mains along North College Avenue and the adjoining neighborhoods between Maple Street and North Street.	The construction started in the fourth quarter of 2005 and should be complete by the end of October 2006.	1,461,207	1,347,744	113,463
Razorback Road Utility W/S Relocation	This project is for the relocation of the water and sewer utility lines associated with the widening by the AHTD of Razorback Road between 6th Street and 15th Street.	The project is complete.	968,042	912,534	55,508
S.C.A.D.A. System Upgrade	To improve controls on the City's water transmission lines.	A design contract was awarded to Black and Veatch in the fourth quarter of 2005 to execute the improvement strategy addressing the highest priority actions. Final design is complete for the work required on the 36' transmission lines. Construction will commence in the fourth quarter of 2007. The SCADA system will be installed at the same time as the pipe construction is completed.	13,925	13,262	663

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Sanitary Sewer Rehabilitation	This project reduces sanitary sewer overflows and reduces wastewater flows to the treatment plant. The work being done in this project will not be abandoned when the new plant goes on line. This is an on going multi-year project.	a) The Sanitary Sewer Rehabilitation project for Illinois River Basins 1-5, is nearing completion. This project uses approximately \$1.1 million State Tribal and Assistance Grants for 2003 and 2004. Construction began in April. b) Sewer Manhole Rehabilitation in the amount of \$140,000 was completed in Farmington, per the arbitration agreement. c) Design by the RJN Group is underway on the line replacement. d) Field inspections of the Hamestring sewer basin are completed and preliminary design is underway by the RJN Group. e) Manhole rehabilitation for basins I-15, W 2 and W-6 should begin in early 2007.	7,498,907	3,022,700	4,476,207
WSIP Project Management	This is a subset of the Wastewater System Improvement Project, and involves hiring a two person project management team.	The WSIP administrative assistant was hired in June. The construction manager started in August. This originally consisted of three persons, but staff feels the mission can be accomplished with two employees.	186,875	3,888	182,987
Water and Sewer Cost Sharing	Cost shares, as needed, associated with private developments.	A cost share with The Hamptons LLC was approved for an upgrade of a waterline to 12" in The Hamptons Subdivision.	424,740	137,140	287,600
Water Impact Fee Cost Sharing Projects	Cost-share projects involving the upsizing and upgrading of water mains as required by increased development.	No cost shares this quarter.	118,425	118,922	(497)
Water Line Projects as Needed	This will provide funding for relatively small projects and improvements that will be identified on an as needed basis. Projects that will be selected are those that exceed the in-house staff's ability to repair, but meet an immediate need based on the frequency of leaks, looping requirements, and relatively small location work requiring contractor capabilities. Once defined, each project will be submitted to the Mayor for approval.	Staff is waiting on identification of projects from the Water & Sewer Division.	-	-	-
Water & Sewer Operations Center Building	The purpose of this capital project was the construction of an adequate facility and compound for the Water & Sewer Maintenance and the Meter Operations divisions of the City. The compound has been built in the Industrial Park, near Pump Station Road.	At this point, it is up to the Contractor (Marinoni) to do what is required to finish final documentation and to submit the final request for payment.	248,551	291,549	(42,998)
Impact Fee Update - Water & Wastewater	This project is to update the existing water and sewer impact fees based on the estimated cost of the capital facilities including calculating several fees for the wastewater collection system.	The first meeting to discuss data needs was held on August 24 with Fayetteville, Farmington, Elkins, and Greenland.	122,300	122,300	-
Water System Master Plan Study	Update of the City's Master Water Study Plan and computer model by McGoodwin, Williams & Yates.	The update and expansion of the computer model is complete. Staff is currently negotiating a change order to update the model to include the developments over the past year.	36,841	17,694	19,147
Wedington Utility W/S Relocations	This project is for the relocation of the water and sewer utility lines associated with the widening of Wedington Drive from Meadowlands Drive to Double Springs Road by the AHTD.	Construction began in the quarter and is anticipated to be completed in the fourth quarter.	1,958,077	1,779,948	178,129

Project Accounting Summary - Third Quarter 2006

Project Title	Project Description	Current Status	2006 Budget	2006 Obligated	Remaining
Water & Sewer Services Improvements					
Backflow Prevention Assemblies	This project is for installation or replacement of backflow prevention assemblies on City facilities to meet a backflow prevention mandate order by the Arkansas Department of Health.	Staff has finished installing these assemblies at facilities where they are needed. The annual inspection, testing, and maintenance of all backflow preventers currently installed at City facilities has begun and will continue throughout the remainder of the year.	31,253	1,063	30,190
Business Office Improvements	This project involves upgrades to the Business Office to improve customer service.	Purchases are on hold pending the outcome of the recommendations of the Space Adjancy Committee. Status remains the same.	49,261	-	49,261
Meter & Equipment Parts Cleaning Machine	The purpose of this project is to purchase a meter and equipment parts cleaning machine used to clean water meters prior to maintenance and testing. Meter maintenance personnel currently clean 1,800 to 2,000 meters per year, and will increase to approximately 3,000 in the near future. At present, water meters and parts are cleaned manually; this machine will allow these items to be cleaned automatically and more efficiently. The machine will also be used for cleaning other equipment and tools used in the Meter Operations and the Water & Sewer Maintenance divisions.	This cleaning machine should be purchased and installed by the end of December 2006. This will allow enough time to write specs, receive bids, purchase and install equipment.	24,000	-	24,000
Utility Rate Review and Analysis	This project consists of issuing an outside contract for a professional consultant to review existing rates and issue findings and analysis. This study will determine appropriate rates to be charged to the various classes of customers of the system that will provide adequate revenue to meet the financial needs of the system.	The City's professional consultant is in the process of developing the comprehensive cost-of-service rate study for review by City Staff and the Fayetteville Sewer Committee.	163,591	118,490	45,101
Water & Sewer Rate/Operations Study	A rate study to comply with Federal EPA standards due to the City's participation in the SWCC Revolving Loan Program for financing the Wastewater System Improvements Project.	The Water & Sewer Rate Audit has been completed and was presented to the City Council along with several customer groups. The Operations Report is expected to be distributed to City Council in mid-October. This project is complete.	16,500	16,500	-
Water Meters	Automation of meter reading is driven by the need for increased efficiency in managing a large number of accounts with a minimum of administrative costs. The meter replacement program also enhances revenues by minimizing unaccounted for (unbilled) water amounts.	This is an on going project.	430,776	235,734	195,042
TOTALS			171,891,939	134,855,777	37,036,162