

WORK SESSION – March 6, 2007

Mayor Robert E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:02 p.m., Tuesday, March 6, 2007 in the Council Chambers at the City Hall. Present with the Mayor were City Council Members M. E. Brubaker, K. S. Cromer, L. C. Metzner, P. M. Nigh, and A. Parson-McBean, City Administrator Bruce Zimmerman, and City Clerk D. K. Spickler.

Carnival Request

The Funkstown Rod and Gun Club, Inc. and the Downsville Ruritan Club have submitted a request to use the City owned vacant lot at the corner of Potomac Street and Memorial Boulevard for their annual carnival. William Blair was present.

The dates for the carnival are April 26, 2007 through May 5, 2007. Set up would begin no earlier than Tuesday, April 24, 2007 and cleanup would be completed by Sunday, May 6, 2007.

The City's dumpster program will be held during the week of April 16, 2007. Eric Deike, Public Works Manager, has indicated there would not be a conflict with the dumpster program, as long as no equipment set up occurs before Tuesday, April 24, 2007.

Both groups are willing to sign a hold harmless agreement if given permission to hold the carnival in the requested location. It was the general consensus of the Mayor and City Council to allow the carnival to be held.

Benefits of Living in the City

The document "Benefits of Living in the City of Hagerstown" was presented to the Mayor and City Council. The document compares the difference in cost and/or services offered to the public in the City of Hagerstown and in the urbanized area surrounding Hagerstown for utilities, public safety, trash collection, street sweeping, and parks. The intent is to demonstrate the benefit in services to citizens of living in the City or annexing into the City versus living outside of the City of Hagerstown.

Staff will use this document as a promotional piece to aid our endeavors to market the City and to recruit annexations. It will also be useful to address the question: "What do I get for paying City taxes?" The chart will be continually updated.

Historic Preservation Grant Application for Hagerstown Police Station

The Hagerstown Police Department has been located in the old train station since the late 1970's. The "overhang" which provides a roof for pedestrians around the building has been deteriorating due to weather and time. It is advisable to correct the corrosion before it becomes irreversible.

An estimate of \$ 200,000 has been given. This is being included in the Department's CIP budget. Staff is seeking grant funding to cover a portion of the cost. The Maryland Historical Trust (MHT) offers grants for this type of work and the Department has the opportunity to request \$ 50,000 from them. MHT requires an historic "easement" on the property in return for the grant. The Planning Department has indicated the easement would likely apply to the exterior of the building, not just the area under repair. Should the grant be approved by MHT, the Mayor and City Council would have the opportunity to decline the grant should the easement be too severe.

It was the general consensus of the Mayor and City Council to proceed with submitting the application.

Ms. Maher stated a grant had previously been secured from the State for a project by the Arts Council. The project is not going to be done. Ms. Maher will notify the State of Maryland of this.

State Funding for City Theater, LLC

Deborah Everhart, Director of Economic Development, was present to discuss the adoption of a Resolution to support State funding for City Theater, LLC (Tusing Warehouse).

The State's Neighborhood Business Works Program is part of the "Smart Growth" initiative to help stimulate investment in Maryland's older communities. These State funded loans provide flexible gap financing to small businesses locating or expanding in locally designated neighborhood revitalization areas throughout the State. In approving these loans the State requests that the local municipality adopt a resolution indicating its support for the project to be funded with the State's money. This program does not require any local matching funds from the City, nor does it create any financial obligations on behalf of the City.

It was the general consensus to support the application.

Health Insurance Update

In August, 2006, the City of Hagerstown and all four unions entered into three year contracts, including language on healthcare that requires approval by each Union on any changes to the Level Healthcare Plan. In the short term, this limits plan design changes that the City can make only to its Basic, Preferred and retiree plans.

The configuration of the City Healthcare Plans is not offered by any commercial carrier. Therefore, the plans must be managed by a third party administrator (TPA). Employees and retirees have historically accepted only the Blue Cross Blue Shield (BCBS) network of healthcare providers. Due to the unique plan designs and network choice, only two options are available for plan administration – NCAS (the current TPA)

and BCBS itself. Each year, it has been confirmed that NCAS costs average about 25% less for administration than BCBS directly.

One of the major accomplishments of 2006 was the City's efforts to restructure the healthcare program to lessen the City's cost of budgeting the previously unfunded future obligations for retiree health insurance. With the assistance of all employee groups and the Mayor and City Council, the projected FY 08/09 post employment liability was reduced from \$ 5,823,000 to \$ 857,200.

Due to union contract commitments, the Healthcare Committee has focused on ways to control costs while maintaining the same plan design. Staff is currently preparing a Request for Proposals for the healthcare broker/consultant services.

The expenditures of the City's healthcare fund exceeded revenues last year and are expected to exceed revenues this year. The decision to delay premium increases until September 1, 2006 resulted in a premium shortfall. In order to present a balanced healthcare fund budget and maintain a projected \$ 126,000 balance for rate stabilization, premiums will need to be increased in fiscal year 2007/08 by 13%.

The Healthcare Committee will continue to meet monthly to monitor utilization, seek ways to control the cost of the City's healthcare programs, and to develop short and long term recommendations to sustain health insurance for employees and retirees.

Play Camp Operations for the 2007 Season

The Summer Play Camp Operations were previously discussed and several questions were raised during the discussion. Karen Giffin, Director of Community Affairs, and Lewie Thomas, Recreation Facilities Coordinator, were present to provide additional information.

Staff is recommending funding in the amount of \$ 33,076 for the Hagerstown YMCA. This amount provides funding for two camps, one at Pangborn Park and one at Hellane Park. Transportation is provided for participants to the Potterfield Pool. The number of children served by both camps is 120. Eighty two percent of the amount requested is for salaries.

Staff is recommending funding of \$ 15,000 for Girls, Inc. The number of girls served is 45. Eighty percent of this amount is for salaries.

The recommended amount for the Memorial Recreation Center is \$ 16,070. The number of children served is 60. Eighty seven percent of this amount is for salaries.

Councilmember Brubaker and Councilmember Metzner pointed out the cost per child is in the same price range for each camp. The camps provide a beneficial service to children.

Councilmember Nigh asked how the children are selected for participation. Applications are submitted. The camps are always full. Councilmember Parson-McBean would like children to be able to “just show up” without having to fill out an application. She would also like to provide an opportunity for the children at Memorial Recreation Center to take a field trip.

Mr. Thomas will submit a report at the end of the summer showing the number of children served throughout the season.

Mr. Zimmerman stated lunches are also provided during the summer camp. The lunches are provided by Community Action Council and the City of Hagerstown. The Council asked for information about the cost of the camps provided by the Washington County Parks Department.

Councilmember Nigh asked if a camp could be held at Fairgrounds Park. Ms. Giffin indicated a camp will eventually be held there.

City Administrator’s Comments

Bruce Zimmerman, City Administrator, stated the State of the City presentation was very good. He thanked the Council for their work in the past year.

Mayor and City Council Comments

Councilmember A. Parson-McBean will be attending the National League of Cities Congressional Cities Conference and an Energy Market Regulations Seminar, starting March 9, 2007. She is the recipient of the 2007 Excellence for Minority Achievement Award from the Maryland State Department of Education. She was not able to attend the State of the City presentation held this morning. She thanked staff for their work.

Councilmember M. E. Brubaker thought the State of the City presentation was very good. It will be shown on Channel 6. He congratulated Councilmember Parson-McBean for the award she received. He congratulated Mary Baykan for being named National Librarian of the Year.

Councilmember K. S. Cromer thanked staff for their contribution to this morning’s State of the City presentation. The 2+2 Committee will start meeting this week. She asked when widening the sidewalks on S. Potomac Street was presented to the Council. Mayor Bruchey indicated it was discussed publicly approximately two weeks ago but had been discussed with individuals for quite some time.

Councilmember Cromer stated Council members received a letter concerning the closing of library alley (former library location on Summit Avenue). She requested that a walkway be kept open to the parking lot at the rear of the building. This will be discussed at a work session in April.

Councilmember L. C. Metzner thanked staff for creating the State of the City video and presentation. Great things are happening downtown and soon people will live downtown. He commended the Mayor for delivering a positive outlook for Hagerstown. He congratulated Councilmember Parson-McBean for her award.

Councilmember P. M. Nigh thanked Karen Giffin and the Department of Community Affairs staff for putting together a good State of the City presentation. The Planning Commission is reviewing how developers provide parking for downtown projects. The deadline for the Homestead Tax Credit application is September 1, 2007.

Mayor R. E. Bruchey, II stated the tax credit program can be beneficial for property owners. He thanked Karen Giffin, Eric Hastings and Lewie Thomas, Department of Community Affairs, for their work with the State of the City presentation. He congratulated Councilmember Parson-McBean for the award she received. The closing of S. Potomac Street is just an idea at this time. There are many questions that have not been answered and challenges that need to be worked through. If this project moves forward, it makes sense to do it at the same time as the already approved sidewalk widening project. By doing this, business would only be disrupted once. The City is moving in the right direction and gets better each year.

There being no further business to come before the Mayor and City Council, on a motion duly made, seconded and passed, the meeting was adjourned at 5:19 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: