

WORK SESSION – April 18, 2006

Mayor Robert E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:04 p.m., Tuesday, April 18, 2006 in the Council Chambers at the City Hall. Present with the Mayor were City Council Members K. B. Aleshire, K. S. Cromer, L. C. Metzner, P. M. Nigh and A. Parson-McBean, City Administrator Bruce Zimmerman, City Attorney Mark Boyer, and City Clerk D. K. Spickler.

Preliminary Agenda Review

The following Public Hearings will be held on April 25, 2006: Hamilton Annexation, Amendments to 1997 Comprehensive Plan – Civil War Heritage Area and Zoning Ordinance Text Amendments – Cluster Development Adjustments.

**Consent Agenda**

The following purchases are included on the consent agenda:

- A. Department of Community Affairs:
  - 1. Rain Insurance for BluesFest - \$ 9,010.00
  - 2. Application/Permit – Washington County Arts Council – June 2, 2006 and June 3, 2006 for BluesFest
  - 3. Application/Permit – Conservit, Inc. – June 2, 2006 and June 3, 2006 for BluesFest
  - 4. Application/Permit – M&T Bank – June 2, 2006 and June 3, 2006 for BluesFest
- B. Police Department: Ford Crown Victoria Cruisers – Norris Ford  
\$ 145,635.00

This price is for a total of seven vehicles. Six are to be funded in the FY 06/07 budget and one is insurance funded.

- C. Engineering:
  - 1. Paving and Milling Contract – 2006 Overlay Program – C. W. Hetzer, Inc. (Hagerstown, MD) Not to exceed \$ 470,000
  - 2. Thermoplastic Pavement Markings – Contract Extension – Alpha Space Control (Fayetteville, MD) Not to exceed \$ 27,000
  - 3. Inlay Tape Pavement Markings – 3M Traffic Control (Potomac, MD) Not to exceed \$ 25,000
  - 4. Improvements to Park Circle – Concrete Central, LLC (Hagerstown, MD) Not to exceed \$ 60,000

Funding for the overlay program is included in the FY 06/07 proposed budget. Rodney Tissue, City Engineer, stated contractors would be busy in June and July and would probably not bid on the job at that time. The pavement markings are part of the overlay program. Councilmember Cromer suggested that City employees install the thermoplastic rather than a contractor in order to save money. Mr. Tissue indicated this would require specialized equipment. Councilmember Aleshire expressed concern that this is included in a bond issue. The streets included in the list are high traffic streets and need to be repaired as soon as possible. The long life of the overlay work makes it appropriate for a bond issue.

Councilmember Aleshire stated he does not support the Park Circle improvements. Mr. Tissue stated the project is intended to correct a confusing traffic flow in that area.

- D. Light Department: Ornamental Light Poles and Fixtures for City Park  
South Lot – Union Metal Corporation (Manassas, VA) \$ 13,164.00
- E. Water and Sewer Department
  - 1. Flow Meters – Marsh-McBirney (Frederick, MD) \$ 22,035.00
  - 2. Portable Generator – United Rentals (Frederick, MD) \$ 91,881.00

Donnie Barton, Waste Water Operations Manager, presented a proposal for the mowing contract. All in One Lawn Service (low bidder for the Parks and Recreation bid) submitted a price of \$ 18,185.00 for the water and sewer mowing contract. This is approximately \$ 13,000.00 less than the previous bid received from a different contractor last month. The portable generators will be used in the pumping stations.

#### **Approval of an Ordinance: Adequate Public Facilities Ordinance**

Kathleen Maher, Planning Director, presented a revised Adequate Public Facilities Ordinance to the Mayor and City Council. The revisions reflect the changes discussed by the Mayor and City Council at last week's meeting. A copy of the revised ordinance has been submitted to the County Attorney for comments. No response has been received.

It was the general consensus to move forward with the adoption of this ordinance.

The following actions will be included on the April 25, 2006 agenda:

- 1. Introduction of an Ordinance: Deerfield Knolls Planned Unit Development (PUD)
- 2. Approval of a Resolution: Amending the 1997 Comprehensive Plan – Civil War Heritage Area
- 3. Approval of a Resolution: Verifying Compliance with Maryland Heritage Area Authority Requirements for Comprehensive Plan Amendments

4. Approval of a Resolution: To Amend the 2006 Sewer Capacity Allocation Plan (SCAP)
5. Motion to Reaffirm the Annexation Review Committee's Decision for Tammany Heights North, Case No. WS-2006-10

Larry Bayer, Manager of Community Development, stated a request has been received for the Mayor and City Council's support of the proposed restoration of \$ 4.3 million for the Community Development Block Grant Program. It was the general consensus to include a resolution of support for the funding on the agenda for April 25, 2006.

There were no other questions about the preliminary agenda. This completed the preliminary agenda review.

#### Budget Hearing Schedule

A Public Hearing will be held on Tuesday, May 16, 2006 to discuss the proposed budget, beginning at 7:00 p.m.

#### Proposed MD Bay Restoration Fund (BRF) Fee Exemption Program

Nelia Tidler, Billing and Customer Service Supervisor, and Dave Jordan, Executive Director of Community Action Council (CAC), were present to discuss the BRF Fee Exemption Program.

This program is designed to exempt certain residential users in paying the BRF fee due to financial hardship. To qualify, the applicant must meet at least two of the four conditions proposed by the State of Maryland. This program is for home owners. If approved, the City would be partnering with the Washington County CAC to implement this program. CAC would handle the processing of applications and supporting documents. CAC is familiar with the financial hardship conditions or criteria for exemption, as these conditions are basically the same required to qualify for energy assistance. CAC would provide a list of qualified exempt residential users to the City.

The program is also being discussed with Washington County's Budget and Finance Department. They will implement the same program upon approval by the County Commissioners and by the MDE.

It was the general consensus to approve the program.

#### Building Community

Mayor Bruchey attended a Building Community meeting on April 17, 2006. The group discussed changing the media impression, holding a "Celebrate Us" event, expanded services for foster care and other good information.

Councilmember Nigh had asked for more information about the Building Community program after it was discussed at a Neighborhood's First meeting. She is concerned that some employees who are attending the meetings are being paid by the City. If the City is not involved, the taxpayers should not be paying for employees to be in attendance. Volunteer attendance would be acceptable to her.

Councilmember Parson-McBean stated this could be a concern if there weren't employees taking part in social programs and being paid. She agreed that taxpayers should not have to pay for the program. When the program started, the City was not to be paying into it. She stated the program is similar to Neighborhoods First, but it is facilitated by the Justice Department.

Councilmember Nigh asked why the Justice Department wasn't paying for the employees to be there. Councilmember Parson-McBean stated it is a good partnership to be involved with and it is good employees are involved. Councilmember Nigh pointed out if employees are paid while attending, taxpayer money is involved. Councilmember Parson-McBean indicated the money used for supplies at the beginning has been reimbursed to the City. She stated she believed the employees were at the meetings voluntarily.

Councilmember Nigh stated when a police officer attends a Crime Watch meeting it is during his or her regular shift. She indicated she will be attending meetings of Building Community.

Councilmember Cromer attended the Building Community meeting on April 17, 2006 also. She believes if this had been discussed with the Mayor and Council in a different manner she would not have as many concerns. There is the appearance of secrecy surrounding the program, which causes her to raise questions. It is the perception in the community that the City is sponsoring this program, which it is not. The Justice Department should have paid the bill for start up supplies. She stated the police officers in attendance are being paid. She still has questions about the program and the definition she has heard of Building Community. It appears to be more exclusive than inclusive.

Councilmember Parson-McBean stated the program was discussed with the Mayor and Council in an executive session. At that time, she asked if they would like to support a program that would help bring communities together. Tim Johnston, from the Justice Department, contacted her and several other people who had been affected by the racial hate mail to discuss this concept. She was interested and brought it to an executive session. If there had been opposition, the program would not have moved forward. People who were identified as community leaders were approached to be a part of the initial group.

Councilmember Nigh is concerned that Hagerstown has been labeled as a racist community. Councilmember Parson-McBean stated no one is saying that Hagerstown is a racist community. The things that happened in this community happened to her, her family and her community. This is what put the program in motion. The Department of

Justice presented an idea where everyone could work together and bring tolerance to Hagerstown. She stated not everyone sees intolerance because it hasn't been directed toward them. She stated this all stems from hate.

Councilmember Nigh agreed it does revolve around hate. The minority discussion at the Neighborhoods First meeting only included African Americans. If there is a problem it needs to be resolved.

Councilmember Parson-McBean stated others received unpleasant letters but the ones to her were hate motivated. Councilmember Nigh stated the hate letters started prior to last year's election. If Building Community is supposed to build up the community, that's what should be done. Councilmember Parson-McBean indicated the attendees at the first meeting represented many different nationalities. The program is not just about the black race or the relationships between African Americans and Caucasians, it's not about the KKK, it is about tolerance.

Councilmember Cromer stated she does not remember this being discussed in executive session. Councilmember Parson-McBean indicated it was discussed on August 2, 2005. Councilmember Cromer asked why a presentation was not made to the Mayor and Council by the Justice Department. Councilmember Parson-McBean commented that this is an opportunity for the City to work on things in the community. She hopes the council will join the group when it becomes a vital part of the community.

#### Downtown Residency Initiatives – Recommended Modifications

The Downtown Residency Initiative was developed to assist with the revitalization of the downtown by attracting a higher income population to the central part of the City. The program provides assistance in the form of subsidies to those who rent and downpayment assistance to those purchasing a home in an area bordered by Cannon Avenue, East Avenue, Prospect Street and Baltimore Street.

Staff recommends the following modifications be made to the program:

1. Expanding the area to include Randolph Avenue
2. Increase the rental assistance from \$ 100 per month to \$ 150 per month
3. Increase the downpayment and settlement expense assistance from \$1,500 to \$2,500
4. Add the following definitions to eligible participants: local, county, state or federal employees, professionals, health care professionals

Mayor Bruchey stated since the City wants to promote homeownership in downtown, someone suggested increasing the amount of assistance to \$ 5,000 in the downtown area.

The residency requirement is two years. Councilmember Nigh would like it to be a longer period of time. Larry Bayer, Manager of Community Development, was not sure how much interest there would be from potential residents if a five year residency requirement was attached to a \$ 1,500.00 benefit.

Councilmember Aleshire stated programs like this encourage people to purchase homes and encourage developers to become involved in incentive programs. He suggested developing a comprehensive package with Washington County. He suggested a sliding scale for the repayment of assistance. Deborah Everhart, Economic Development Director, stated downtown tax incentives will be discussed at the Work Session on May 2, 2006 and this could be included in that discussion. It was the general consensus to include a comprehensive package in that discussion.

#### Neighborhood Revitalization Strategy Area Application

Larry Bayer, Manager of Community Development Department, met with the Mayor and City Council to discuss the submission of an application to the U.S. Department of Housing and Urban Development to designate a portion of Hagerstown as a Neighborhood Revitalization Strategy Area.

Neighborhood Revitalization Strategy Area is a designation conferred upon urban areas by HUD which meet certain thresholds. The proposed area was selected because it meets the criteria for designation: those being that the area be primarily residential in nature and that the percentage of low and moderate income persons living in that area be at least 70%.

Once an area has been designated, certain regulations concerning CDBG programs are relaxed. They are:

1. Job Creation/Retention as Low/Mod Area Benefit
2. Aggregation of Housing Units
3. Aggregate Public Benefit Standard Exemption
4. Public Service Cap Exemption

Of particular interest to Hagerstown is how housing activities are viewed. In a NRSA area, all housing activities are looked upon as being a single project. This means that only 515 of the housing units assisted with CDBG funds must meet the low and moderate income test. This will give the City greater flexibility in selling homes that have been rehabilitated under the Workforce Housing program. The designation of an NRSA area does not create any obligation on the City to create new activities or increase funding levels of those already existing.

If the Mayor and City Council agree to submit the application, the draft application will be made available for public review and a public hearing will be held to receive input from interested parties. The effective date of the designation would probably be around July 1.

It was the general consensus of the Mayor and City Council to support this request.

Reprogramming of CDBG Funds

Larry Bayer, Manager of the Community Development Department, was present to discuss reprogramming of \$ 95,900 in CDBG funds as follows:

Neighborhoods 1 <sup>st</sup>	\$ 11,800	Total funding \$ 46,800
Acquisition	7,500	Total funding \$ 8,500
Demolition	7,200	Total funding \$ 8,200
A&E District Parking Deck	15,000	Total funding \$ 280,000
Second Mortgages for Downpayment and Settlement Expense	34,000	Total funding \$ 35,000
Single Family Administration	10,400	Total funding \$ 50,400

Staff is also requesting Mayor and Council authority to create a new activity, Downtown Beautification, under public facilities and improvements. This new activity would provide funding to develop concepts for the tree grates and landscape planters on North and South Potomac Street. Funding level is anticipated to be \$ 10,000.

Staff recommends that these funds be reprogrammed from Rental Rehabilitation, leaving \$ 79,100 in that activity.

It was the general consensus of the Mayor and City Council to approve reprogramming these funds.

Amendments to Sewer Capacity Allocation Program (SCAP)

Kathleen Maher, Planning Director, presented amendments to the 2006 Sewer Capacity Allocation Program. The amendments would require, at a minimum, preliminary plat approval or site plan approval in order to be eligible for sewer allocation for new City residential development projects, unless the project has an annexation agreement which preempts the Adequate Public Facilities Ordinance (APFO).

The impending adoption of a City APFO for schools has pointed out the need for an amendment to the 2006 SCAP, so that sewer is not reserved in the SCAP for projects which cannot move forward under the APFO. Without this change, new projects which have not gotten approval through the APFO could be acquiring sewer allocation and thus depleting what is available for other projects which are exempt from the APFO or have received approval through the APFO.

Staff has forwarded the proposed amendments for comment by the Maryland Department of the Environment.

It was the general consensus of the Mayor and City Council to include approval of the amendments on the agenda for April 25, 2006.

A recess was taken. Councilmember Parson-McBean left the meeting during the break.

### Budget Discussion

A general review of the budget was discussed. The topics included General Fund Revenues, Excise tax, and clarification of CDBG funding.

Councilmember Aleshire has presented questions to Staff concerning the budget that will be answered.

An owner occupied residential real estate assessment cap reduction (from 10% to 5%) is included in the proposed budget. The City is following the County policy. Rental properties will not be included under the tax cap. Councilmember Metzner pointed out this will only affect 40% of the City's property owners. The other 60% will have unlimited assessment increases. Mr. Zimmerman stated commercial properties are also exempt from the tax cap.

Councilmember Metzner stated the main topics are how to keep the tax rate steady, manpower needs and implementation of the wage study. The wage study consultant will be returning to discuss the study further and the study should be discussed after that. He stated he would be willing to raise taxes in order to fund hiring more firefighters. He stated 10 firefighters should be hired in FY 06/07 and 9 in FY 07/08, but this needs to be discussed by the group.

Mark Boyer, City Attorney, arrived at the meeting.

Councilmember Cromer stated she would also recommend that the fire department start running ambulances from the fire stations. If this would occur, the money the City pays to CRS would be eliminated. She asked the Mayor and City Council to seriously consider this idea. Councilmember Metzner stated something needs to be done with CRS.

Councilmember Aleshire stated his questions are being reviewed by staff. He has recommended changes in the general fund, the CDBG fund and the enterprise funds. It would not be beneficial to discuss the changes until staff responds to his questions.

Councilmember Metzner agreed that it would be appropriate to wait for staff response. He would prefer to schedule further discussion at next week's meeting.

Councilmember Cromer stated she has some questions that were not on Councilmember Aleshire's list that could be discussed at a later time.



Mr. Zimmerman indicated there are items on the review schedule that are included in Councilmember Aleshire's questions. A response to the questions is anticipated by April 25, 2006.

Councilmember Aleshire recommended that developers, not the taxpayers, fund the increase in time required to review plans in the Planning and Engineering Departments.

Councilmember Metzner stated wages cannot be increased without an increase in the revenue stream.

Councilmember Aleshire stated the tax cap could decrease revenue by \$ 286,000. He suggested implementing this by a percentage each year, like the County is doing. He would like the light dividend kept at two months worth of expenses.

If the Community Betterment Fund is changed, the current policy would have to be amended.

Councilmember Aleshire stated the projects need to be rated as high, mid or low priority by the Mayor and City Council. He stated a big issue is the amount of non-taxed housing stock operated by the Housing Authority. They operate 10% (1,300 units) of the housing stock. A pilot program is being proposed that will have an expense of \$ 50,000.

Councilmember Aleshire asked that Staff provide information about the need for the larger expenditure items.

Mayor Bruchey has questions about the police cadet program and the two support positions. He stated if the County utilizes City police services the City should be reimbursed. He stated the position in Economic Development is needed and he thinks it will be supported when additional information is provided. He stated the City should not own the Tusing warehouse.

Councilmember Aleshire stated the Council needs to have a better understanding of the bonding requests. Rates for parking should be reviewed.

Councilmember Nigh stated the Compensation Study results need to be implemented. Public Safety is her top priority. The Council has to make allowances for the needs in public safety. She also suggested that ambulances be housed in the fire halls. She is concerned that funding to CRS has increased.

Councilmember Cromer stated she believes money could be saved if there was restructuring within the police department. She is concerned that a sergeant is researching grants. She thinks this is something a civilian could be doing. Police Chief Arthur Smith stated a Lieutenant is actually researching grants. The grants position brings in a lot of money to the City. He doesn't believe this position would be appropriate for a civilian. There are several positions that have been filled by civilians.

Councilmember Cromer does not think it is necessary to have three sergeants working on each shift. Chief Smith stated there are fewer supervisors within the department than there were in the 1990's. Hagerstown officers make more arrests, with fewer people, than other departments of comparable size. Hagerstown has fewer civilian employees than other departments. He stated the statistics indicate the department's focus is law enforcement.

Councilmember Cromer indicated she would be providing a cost saving plan for the police department to the Mayor and Council and Chief Smith by Monday, April 24, 2006.

Councilmember Aleshire asked if there would be any benefit to reducing the amount of overtime and adding more personnel. Chief Smith stated the amount of overtime would not be reduced by adding personnel. There would be more arrests and more court time. The Cadet program would enhance parking enforcement and provide relief of overtime costs for dispatchers. If the call centers in the County were combined, there would be significant cost savings.

Mayor Bruchey asked if the proposed police budget is a combination of part time employees and civilian costs. Mr. Martin indicated it includes anything that is not part of base wages. The bulk of the amount is overtime costs. Mayor Bruchey stated the biggest concern is how to provide additional safety right now. If the Springsted Study is implemented and it doesn't count as overtime, it will enhance the retirement benefits. He suggested including an amount in the base pay to cover the costs of overtime and consider it as base pay. Mr. Martin doesn't think Federal laws would allow officers to attend court without being paid specifically for that. He doesn't think this kind of flexibility is allowed. Donna Messina, Human Resources Director, stated this question will be posed to the labor attorneys. She stated there is a difference between someone voluntarily attending a meeting versus attendance being required by the court system. Chief Smith stated the department is as lean as it can be. No complaints have been received from the State's Attorneys office about the cases for Hagerstown police officers. He stated he would be glad to listen to any suggestions. He stated the County is considering a substantial raise for the Washington County Sheriff's Department. If this is approved, he anticipates there will be some officers leaving to go to the Sheriff's Department. Implementing the results of the Springsted Study will help with this potential problem.

Chief Smith stated the bid for police cruisers discussed earlier in the meeting are five replacements and one for the new position. Purchase of one of the cruisers could be delayed. If the others are delayed, it could increase repair costs.

Chief Smith stated the cadet program would not be as important if there was a combined communication center. A cadet program would help to reduce the overtime costs for dispatchers. With the anticipated combined center, the dispatch part of the program would not be needed within approximately two years.

The next budget discussion will be held at 5:00 p.m. on Tuesday, April 25, 2006 in the Council Chamber. The responses to Councilmember Aleshire's questions will be available at that meeting.

City Administrator's Comments

*Bruce Zimmerman, City Administrator*, reminded everyone that the co-mingled recycling program begins next week. Bins are being delivered.

Mayor and Council Comments

*Councilmember L. C. Metzner* stated the Public Square looks very nice. He attended an outreach program with local churches.

*Councilmember K. S. Cromer* had no further comments.

*Councilmember K. B. Aleshire* thanked Staff for their efforts with the recycling program. He suggested looking at an incentive program for businesses to locate in the downtown. He stated the discussion of the budget between the Mayor and City Council and Staff is important for the public to see. The budget is the most important thing the Mayor and Council do each year. The requests from groups for funding are also important for the public to hear.

*Councilmember P. M. Nigh* stated she would like to see more programs for helping children. She stated the number of tax exempt properties is costing the City a large amount of revenue.

Councilmember Nigh stated the Relay for Life Cancer Walk is being held on June 17, 2006. Anyone interested in the walk may contact her. Citizens on Patrol needs more volunteers.

*Mayor R. E. Bruchey, II* expressed condolences to the family of Steve Lenhart who passed away this week. Mr. Lenhart was the president of the Sister City affiliation and was very active with the group. An auction to benefit the family of Jeffery Wroten will be held on May 8, 2006. Mr. Wroten was a prison guard who was killed in the line of duty at Washington County Hospital.

Mayor Bruchey attended two little league opening day games. He is looking forward to reviewing the budget and discussing changes in order to fully fund the proposed budget without a tax increase.

EXECUTIVE SESSION – April 18, 2006

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember K. B. Aleshire, the Mayor and City Council unanimously agreed by

Work Session and Executive Session  
Mayor and City Council

April 18, 2006  
Hagerstown, Maryland

voice vote to meet in closed session at 7:27 p.m. to conduct collective bargaining negotiations or consider matters that relate to the negotiations, #9 and to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, #1. No formal action was taken at the session. The meeting was held in the Council Chamber, 2<sup>nd</sup> floor at the City Hall. The meeting was adjourned at 7:46 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: \_\_\_\_\_