

24<sup>TH</sup> SPECIAL SESSION, WORK SESSION AND EXECUTIVE SESSION – July 13, 2010

Mayor R. E. Bruchey, II called this 24<sup>th</sup> Special Session, Work Session and Executive Session of the Mayor and City Council to order at 4:04 p.m., Tuesday, July 13, 2010, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers W. M. Breichner, M. E. Brubaker, F. W. Easton, A. C. Haywood, L. C. Metzner; City Administrator Bruce Zimmerman, City Attorney Mark Boyer and D. K. Spickler, City Clerk.

24<sup>th</sup> SPECIAL SESSION – July 13, 2010

On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember W. M. Breichner, the Mayor and City Council unanimously agreed to hold a special session on Tuesday, July 13, 2010 at 4:05 p.m.

**Introduction of an Ordinance: To Establish a Retirement Incentive Plan**

**Action:** On a motion duly made by Councilmember W. M. Breichner and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to introduce an ordinance to establish a Retirement Incentive Plan that provides a one time payment of \$ 12,500 per retiree. The program will be available to a maximum of 35 qualified full time employees who notify the Human Resources Department of their intent to retire, with an effective retirement date no later than January 1, 2011.

Discussion: Donna Frazier, Director of Human Resources, stated if more than 35 employees provide their retirement notification, recipients will be chosen by random selection. Mr. Zimmerman stated this program will be promoted to employees beginning this week; however, employees will not be able to submit their application until the ordinance is approved and becomes effective (in September, 2010).

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember W. M. Breichner, the Special Meeting was adjourned at 4:10 p.m.

WORK SESSION – July 13, 2010

Alfred Martin, Finance Director, and Mike Manspeaker, Smith, Elliott and Kearns, were present to discuss the Comprehensive Annual Financial Report (CAFR) for FY 2009.

Michelle Burkner, Accounting Manager, was also present.



The City of Hagerstown financial statements have been audited by Smith Elliott Kearns & Company, LLC. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended June 30, 2009, are fairly stated in accordance with GAAP. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unqualified opinion that the City of Hagerstown financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP.

The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$ 225.4 million. Approximately 62.4 % of this amount is attributable to the City's three utilities. Of the total net assets, \$ 13.6 million may be used to meet ongoing obligations to citizens and creditors, \$ 7.5 million is restricted for specific purposes, and \$ 204.3 million is invested in capital assets, net of related debt.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$ 15.4 million. Of this total amount \$7.4 million is unreserved and represents working capital available to support governmental operating needs and future years' expenditures.

The City's total bonded debt decreased by \$ .4 million during the current fiscal year from \$ 39.7 million to \$ 39.3 million. In the current fiscal year, the City issued no new public facilities bonds but did authorize \$ 7.2 million in new Maryland Water Quality Revolving Loan Fund Debt. A total of \$ 3.4 million was drawn in 2008/2009, with \$ 2.4 million from a prior year authorization and \$ 1.0 million from the new authorized debt.

The General Fund, on a current financial resource basis, reported revenues in excess of expenditures and other financial sources and uses by \$ 146,524 after making a \$ 1,179,314 transfer to the Capital Projects Fund and operating transfers of \$ 260,000 to the Golf Course Fund, \$ 140,788 to the Economic Redevelopment Fund and \$ 121,539 to the Grant Revenue Fund.

At the end of the current fiscal year, unreserved fund balance for the General Fund was \$ 7,386,804 or 19.9% of total General Fund expenditures (excluding the transfer to other funds described previously). This represents nearly two and a half months of General Fund expenditures and complies with the City financial policy requiring a minimum undesignated fund balance of 10% of the General Fund operating expenditures.

Mr. Manspeaker reported the completion of the audit was delayed because accurate and complete financial records were not available in a timely manner due to the inability of the City's Finance Department to complete the accounting records. The State of Maryland had issued an extension of the November 1, 2009 filing deadline. He urged the Mayor and Council to follow up on the points noted in the management letter.



Councilmember Brubaker asked what the financial position of the City is now, compared to June, 2009. Mr. Martin stated the anticipated carry over from the last budget is higher than expected. He stated 2010 is looking good because of the expenditure reduction plan that the Mayor and Council and staff developed. Councilmember Brubaker asked if there are any trends to be looking for. Mr. Martin indicated the economic downturn is affecting sales for the utilities. There are challenges associated with the reduction in consumption. There is concern about the potential loss of several large users. The City will have to keep an eye on reducing spending, while continuing operations.

Councilmember Brubaker expressed concern about the results of the property assessments that will occur during this summer. He asked if steps are being taken to ensure the 2010 audit is completed on time. This will assist the Mayor and Council and City staff in developing next year's budget. Mr. Martin stated the conversion to the MUNIS system is still taking place. Staff is working to get the information together and using benchmarks to complete the audit on time.

#### Maryland Theatre Street Closure Request – 95th Anniversary Celebration

Karen Giffin, Director of Public Relations and Marketing, and Jay Constantz, Maryland Theatre Executive Director, were present to provide information for a requested street closure.

The City of Hagerstown received a request for the closure of South Potomac Street on Saturday, September 11, 2010 from 8:00 a.m. to 12:00 a.m. (midnight) as part of the 95<sup>th</sup> Anniversary for the Maryland Theatre. The event would start with a dinner at 5:30 p.m. and then a concert in The Maryland Theatre at 8:00 p.m. The dinner portion of the event would be under a large tent located on South Potomac Street with table and chair settings. The City would require an insurance certificate from The Maryland Theatre for this event. The Maryland Theatre would also like to serve alcoholic beverages. They would need to sign an application/permit and the City would need to exempt the Open Containers Law.

The cost estimate for an overtime police officer for 16 hours is \$ 800.00. If the Mayor and Council would underwrite this cost, the funds would come from FY 2010/20011 Unspecified Agency Contributions.

Mr. Constantz stated this will be the kickoff for the 100<sup>th</sup> anniversary of the Theatre. This event will be the beginning of that celebration.

Councilmember Breichner asked how long alcoholic beverages will be available on the street. Mr. Constantz stated it is not an open bar and beverages will only be available outside during dinner. After that time, beverages will be available inside, as they usually are.



Councilmember Easton asked how much money the Theatre hopes to raise with this event. Mr. Constantz indicated the goal is \$ 20,000.00.

Councilmember Haywood wondered how the area will be secured. Mr. Constantz indicated they are proactive in making sure the security around the area is maintained with fencing and volunteers security people.

Councilmember Metzner stated if the fire police members are expected to assist with this closure, they should be compensated for their time. They should also be consulted about their availability.

Councilmember Haywood stated this celebration of the local heritage in the City Center should be expanded. She discussed expanding the celebration to the entire City Center with staff. Some ideas would be to place historical photographs in all the downtown windows and to hold a scavenger hunt. She would like to discuss ideas to enhance the event and highlight City Center together. Mayor Bruchey suggested that Councilmember Haywood chair this group.

It was the general consensus to grant permission to close the street from 8:00 a.m. to 12:00 a.m. for the 95<sup>th</sup> Anniversary celebration and to waive the open containers law.

Ms. Giffin mentioned that the Music by the Lake series begins on July 17, 2010.

#### Bikes for the World

Eric Deike, Manager of Public Works, presented a request from Bikes for the World to use the property at 51 W. Memorial Boulevard. Phil Ruth, the local representative, was also present.

Bikes for the World is a non-profit organization with the mission of rescuing unwanted bikes and sending them to developing countries in Africa, Latin America and the Caribbean.

Mr. Ruth is requesting help from the City to allow him to utilize the property at 51 W. Memorial Boulevard as a collection point for unwanted bicycles and bicycle parts. The parts are used to mend other bikes. The collections would occur on one Saturday in May, August and November of each year. They are also requesting some assistance with advertising by promoting the program on Channel 6. Mr. Ruth is not asking for any money.

Bikes for the World would sign a hold harmless agreement and provide proof of insurance listing the City as an additional insured member. Staff ran this idea past the recently formed Bicycle Advisory Committee and received a positive endorsement.



Staff views this as a very positive program by helping those in need. They also see this as a green project that keeps unwanted bicycles and spare parts out of the landfill. Staff recommends approving this request.

Councilmember Easton stated this is a good way to assist non-profit organizations, with something other than money. He asked if they needed help in getting an area designated at the landfill for another collection site. Mr. Ruth indicated the County has not agreed to provide an area and they were concerned about people taking the bicycles.

It was the general consensus to allow bikes to be collected at the Public Works location and to advertise the program on Channel 6 and to add a link to the Bikes for the World website on the City's site.

#### Public Works Department Review

Eric Deike, Public Works Manager, stated the Public Works department handles many different tasks and consists of 36 full time employees, 8 seasonal employees and 7 part time employees. To highlight the variety of responsibilities, Mr. Deike presented a video developed by his daughter, Rebecca Deike.

In 1999, the department included parks but not parking. Parks was separated into an individual department and several months ago the parking system was included in the Public Works Department. Public Works is currently divided into four areas: Street, Central Maintenance Garage (CMG), Traffic Control/Facilities and the Parking System. The Public Works Department provides street tree maintenance, vehicle maintenance, snow removal, traffic island maintenance, signal work and maintenance, trash pick up, parking lot and parking deck maintenance.

Councilmember Breichner stated the North Potomac Street parking deck is very well maintained.

Mr. Deike indicated the department works closely with many organizations in the community, such as United Way and Boy Scouts. They also work closely with other City departments.

Supervisors in the department include Dale Poffenberger, Street Supervisor, Allen Cool, CMG Supervisor, Erik Kline, Traffic Control/Facilities Supervisor and Jason Rodgers, Parking System Supervisor. Andrea Rueckerl is the Administrative Specialist.

The Street Department maintains 110 miles of streets and 35 miles of paved alleys. There are over 4,000 storm drains to maintain, clean and repair. Employees sweep over 13,000 miles of streets per year. They reconstruct sidewalks and curbs due to street tree damage. Repair of potholes and mowing and maintaining right-of-ways and traffic islands is completed by the Street Department.



The Central Maintenance Garage is located at 425 East Baltimore Street. They provide maintenance to over 300 pieces of highway vehicles such as cars, trucks, backhoes, bucket trucks, dump trucks, police cruisers, etc. They service small tools and equipment such as mowers, weed whips, concrete saws, etc. The emergency generators at Public Works and the Hagerstown Police Department are maintained by CMG. CMG also oversees the fueling station and fuel inventory located at 51 W. Memorial Boulevard.

Traffic Control includes overseeing 131 signaled intersections including installs, repairs and timing changes. They also oversee 35 signal intersections owned by the State Highway Administration. Employees in this division are responsible for line striping, installing custom signs, hanging of downtown banners and the event banners on the Washington Street and Franklin Street overpasses. They install Christmas lighting including 4 tree locations, all the silhouettes in City Park and the pole wraps throughout the downtown.

Building Maintenance includes City Hall, Roslyn Building, Market House, Elizabeth Hager Center, Clock Tower, Central Equipment Building, Alms House and the Parking Decks. This division provides custodial services to City Hall, Market House, Elizabeth Hager Center and the Central Equipment Building.

The Parking System division is responsible for overseeing the public parking spaces throughout the downtown, including the two parking decks. The total lot and deck parking capacity currently stands at 1,890 spaces.

There are currently five full time vacancies, three seasonal vacancies and two part time vacancies. The department has been short staffed for some time. Mr. Deike stated Councilmember Easton's suggestion of looking at the inmate labor program again has worked out very well. The cost for the program is minimal and helps in completing the jobs.

He stated Public Works is the group behind other departments. They are the ones who provide clean up after events and assist with projects as necessary. He feels they are a basic part of public safety. They clear snow, keep drains open and provide vehicle maintenance.

Councilmember Easton asked why all departments use the CMG except for the Fire Department. Mr. Deike indicated the Fire Department has specialized equipment with special needs. These services are provided by other vendors. CMG may be able to provide some basic maintenance functions for the Fire Department.

Councilmember Easton suggested that a recycling bin be located next to each trash can in the City. Councilmember Haywood would like there to be more investment in recycling. She suggested recycling pickups for businesses. Mr. Deike indicated the general collection contract is with Allied Waste, administered by the Engineering



Department. He indicated they recycle old signs, old parts from CMG, and metals from the bulk trash program. There are cardboard recycling bins at City buildings.

Councilmember Brubaker asked what percentage of the work is regularly scheduled as compared to responding to requests from citizens. Mr. Deike indicated they do not receive a large number of requests from citizens. He has found that many times, the department is already working on something that they receive a call about.

The total cost for snow removal during the last winter season was \$ 750,000. The City expects to recover \$ 100,000 to \$ 105,000 of the cost from FEMA. Mr. Zimmerman indicated the Public Works Department is significantly impacted by weather, i. e. snow or hurricanes. Mr. Deike stated snow removal crews are scheduled to work during shifts when a storm is anticipated. This works very efficiently.

Mr. Kline indicated the signal repair at Jefferson Street and Canon Avenue is almost complete. The signal at Cleveland Avenue and Jefferson Boulevard was completed last year. The department is working on upgrading the equipment and installing LED lights in all signals.

Councilmember Easton asked if there have been discussions about the major loss in parking revenue with the hospital moving and the library being closed for a significant amount of time. He asked for a history of the current fees and when they were implemented. Mr. Deike indicated staff has been looking at ways to supplement the parking income pending the loss of revenue. Revisions have been made to the after hour rates and the daily rate at the parking decks. Councilmember Brubaker asked if there would be a need to supplement the Parking Fund with General Fund money. Mr. Deike indicated the revenues are within \$ 20,000 of the projected income. He believes the revenue goal will be reached.

Alfred Martin, Finance Director, indicated the parking meter rates have not been revised since 1986. He stated as the needs for parking are anticipated, a comprehensive parking plan becomes more critical. Mr. Deike indicated City staff will be using the data collected and developing a comprehensive plan this year

Councilmember Breichner asked if street lights are metered for electric use. Mr. Deike indicated they are not but City Light uses a standard schedule for billing purposes. There has been a decrease in the usage where LED lights have been installed. The Traffic Department is reviewing the possibility of using flashing lights after certain hours at intersections to determine if cost savings are possible.

Mr. Zimmerman stated the Public Works Department has a direct impact on the livability of the City of Hagerstown. Snow removal, street maintenance, landscaping, and parking systems all contribute to a livable city. He stated the employees deserve praise and congratulations for the job they do. They don't just pick up trash or pull weeds, they are beautifying the City when they do. Mr. Deike state he and his co-workers are proud of the work they do.



Mr. Zimmerman thanked Ms. Deike for her assistance with the presentation and the video. He stated the video was excellent.

Mr. Zimmerman stated the City needs to begin purchasing vehicles again to replace aging ones. There are older buildings that need maintenance. The restrictions on purchasing vehicles can't be maintained long term.

### Lobbying Coalition

The City has been provided notice that the Washington County Lobbying Coalition is intending to hold meetings to discuss and formulate a process for the Coalition to develop an agenda for the 2011 Legislative Session.

The Mayor and City Council discussed the City's priorities, in anticipation of these meetings.

Councilmember Easton thinks the City should be a more involved partner in the Coalition, not just a monetary supporter. If the City does not participate in developing the list of projects and priorities, they should not provide a portion of the funding. He thinks the City should have the same amount of leverage at the table as any other partner.

Councilmember Brubaker stated the City has been an active partner. He has traveled to Annapolis each year with the coalition. He agrees there should stronger input from the City.

Councilmember Haywood thinks the Mayor and Council should prioritize the projects that are important to the City for the list of projects.

Councilmember Metzner stated he expects to hear the same thing as last year, don't ask for anything because there is no money. He stated it is time to make the Hagerstown Suns a priority and ask that hotel/motel tax be used to update the stadium. This project would be beneficial to the entire community. The hotel/motel tax was intended for a new stadium.

Councilmember Brubaker stated other communities with new stadiums also had State bond bills to help with the cost. The Mayor and Council should work with the Washington County Delegation to secure the bond bills.

Councilmember Breichner indicated MML is working on enabling legislation that would allow cities to increase revenues by implementing certain taxes and charges.

Mayor Bruchey reminded the Council that the City does receive some of the hotel/motel tax. If the money is channeled toward a new stadium, other municipalities may not receive as much.



Councilmember Breichner suggested an additional tax on hotels located within the City limits.

Councilmember Breichner and Councilmember Brubaker will attend the first meeting and provide information to the Mayor and Council during the Work Session on July 20, 2010. Mark Boyer, City Attorney, indicated if more than two members of the Mayor and Council attend the meeting, it would be a quorum and may be subject to the open meetings regulations.

Councilmember Brubaker asked fellow Council members to state their ideas for projects/priorities. Councilmember Haywood stated the ideas are not as important as the strength of the ideas and being prepared, with a structure to the process.

### **CITY ADMINISTRATOR'S COMMENTS**

*Bruce Zimmerman, City Administrator*, had no additional comments.

### **MAYOR AND COUNCIL COMMENTS**

*Councilmember M. E. Brubaker* hopes everyone is okay during this hot and dry summer.

*Councilmember W. M. Breichner* expressed condolences to the family of Harry Frush, retired police officer, and to the family of Diane Paddock (wife of former Mayor Pat Paddock) both who passed away recently.

*Councilmember L. C. Metzner* thanked everyone who helped with the July 4, 2010 event. This Council decided to keep the event in the budget. The celebration is worth having, even in difficult economic times.

*Councilmember A. C. Haywood* commended the Parks and Recreation Department for opening the sprinklers at Fairgrounds Park during the fireworks show. Many children enjoyed running through the water. The latest bobblehead being given away by the Hagerstown Suns is Little Heiskel. The event will be held on July 24, 2010.

*Councilmember F. Easton* thanked Dr. Shawn Wilson and the Mountain View Emergency Vet group for the service they provide the community. He will be participating in a motorcycle ride during Smithsburg Pride Days in honor of Sgt. Andrew Pace, who died in Afghanistan on March 4, 2010. He visited two veterans parks in Virginia Beach recently and was impressed with the collaboration of groups to build them.

*Mayor R. E. Bruchey, II* expressed condolences to the Frush and Paddock families. He congratulated everyone who helped with the July 4 event. He thanked Eric Deike for the department review and for the fine video created by Ms. Deike. The information provided is good for the public and the Mayor and Council.



EXECUTIVE SESSION – July 13, 2010

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember A. C. Haywood, the Mayor and City Council unanimously agreed by voice vote to meet in closed session to consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State, #4 and to consider the appointment, employment, assignment, promotion, discipline, demotions, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; #1 at 6:45 p.m. in the Council Chamber, 2<sup>nd</sup> Floor, City Hall, Hagerstown, Maryland. The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember W. M. Breichner, Councilmember M. E. Brubaker, Councilmember F. W. Easton, Councilmember A. C. Haywood, Councilmember L. C. Metzner, City Administrator Bruce Zimmerman, City Attorney Mark Boyer, Deborah Everhart, Economic Development Director, John Lestitian, Department of Community and Economic Development Director, Alfred Martin, Finance Director, Donna Frazier, Human Resources Director and Donna Spickler, City Clerk. The meeting was held to discuss a business proposal for a location on Eastern Boulevard and a variety of personnel matters. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the meeting was adjourned at 7:59 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: August 24, 2010