

WORK SESSION – July 15, 2008

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 3:07 p.m., Tuesday, July 15, 2008, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers M. E. Brubaker, K. S. Cromer, L. C. Metzner, P. M. Nigh and A. Parson-McBean; City Administrator Bruce Zimmerman, City Attorney John Urner, and D. K. Spickler, City Clerk.

Consolidated 911 Center – Employee Meetings

A meeting of the Human Resources (HR) subcommittee of the 911 Consolidation working group was held on June 23, 2008. The meeting was open to any dispatchers with questions for this group. One HPD Dispatcher attended as well as representatives of ASFCME representing both the City and County employee groups. Councilmember Nigh attended as well as City and County HR Directors, the Sheriff, Chief Smith and the County Director of Fire and Emergency Services.

Questions were covered concerning seniority, retirement, cross training and familiarization activities, legal considerations and vacation/benefits. The meeting was recorded to permit the subsequent preparation of minutes.

A follow up meeting was held at 3:00 p.m. on the same date for the benefit of dispatchers unavailable at the earlier time. Three additional HPD dispatchers were in attendance as were City/County HR personnel, Chief Smith, the Sheriff and the Director of Fire and Emergency Services.

The most significant issue remaining to be addressed is the retirement calculation for HPD employees who have sufficient tenure with the City to have been enrolled in the State Retirement System, prior to it becoming a contributory system. Answers to this issue must await the actuarial study agreed to by the joint City/County elected bodies.

Washington County HR personnel indicated that they would address any new language that might be required to change the County AFSCME definition of seniority to accommodate the transfer of City personnel to the County AFSCME local.

Chief Smith, Sheriff Douglas Mullendore and Kevin Lewis, Director of Fire and Emergency Services, were present to discuss the employee meetings.

An issue to be addressed by the Mayor and Council is the potential loss of a fifth week of vacation. The governing board of the consolidation group will need to determine if a retiree will be able to come back to the City's health care plan.

PCO Hall, City Dispatcher, stated she is concerned about the loss of vacation time and the change in the way holidays are taken. If a dispatcher wants to take Christmas day off, they will have to use a vacation day, instead of using a floating holiday as they are currently permitted to do. Mr. Lewis stated the consolidation group has not considered

floating holidays based on the work schedule. This could be considered, but it would have to be approved by the County Commissioners.

Mike Hanlon, AFSCME Representative, stated the dispatchers do not want to have to use a vacation day in order to have a holiday off.

PCO Hall stated the dispatchers will be giving up 19 days in order to be a County employee. The dispatchers have no choice and they did not apply to be County employees. She stated the retirement plan is not as good as the City's.

Councilmember Parson-McBean would like the board to consider changing holidays to floating holidays. Sheriff Mullendore stated more staff would be needed to cover the floating holidays.

PCO Hall stated one employee would have to work 13 years, 9 months longer as a County employee to be able to retire. Chief Smith stated the employee has the information and can make a decision about retirement after the actuarial information is provided. If the State does not recognize her years of service with the City, she could approach the Mayor and Council to discuss this issue further.

Councilmember Nigh is concerned that dispatcher concerns are not expressed during the consolidation meetings.

Mr. Lewis stated each dispatcher was provided retirement information for a voluntary transfer. If the transfer is involuntary, it would change the actuarial information. Each dispatcher will have current information in order to make a decision.

Bill Sonnik, County Human Resources Director, stated PCO Hall has been informed that all dispatchers will be made whole. As far as he is concerned, this issue has been resolved.

PCO Drenner, City Dispatcher, does not want to retire. The information she has received seems to be contradictory. She wants a proposal in writing.

Mayor Bruchey II stated the people discussing the consolidation are trying to be fair to everyone. A recommendation will be presented to the Mayor and Council and to the County Commissioners.

Councilmember Parson-McBean wants to make certain the recommendation is in writing and on record.

PCO Drenner stated the holidays are very important to the dispatchers. Their jobs are very stressful and they have to work extended hours at times.

Sheriff Mullendore pointed out that most law enforcement jobs are stressful.

Mayor Bruchey II stated the Mayor and Council is trying to make sure the consolidation occurs and not adversely affect anyone. The consolidation of the 911 center will be very positive. Each individual dispatcher will be able to decide what they want to do. No one is trying to force anyone leave. As many dispatchers as possible will be made whole.

Donna Messina, City Human Resources Director, stated the floating holidays were not always in place. This benefit was negotiated and could be again.

Mr. Sonnik stated PCO Drenner will have 32 years of service by the time the consolidation occurs and no one has suggested that she retire. If she works five more years, she could retire with 74% of her salary. Fire and Rescue union negotiations will be reopened to discuss these issues.

Councilmember Brubaker asked if there is a time frame established for the actuarial information. Mr. Sonnik stated there is not at this time.

A recess was taken.

Eastern Boulevard (Shaool) Annexation Discussion, A-2006-03

Kathleen Maher, Planning Director, and Stuart Bass, Comprehensive Planner, were present to discuss an annexation request for property on Eastern Boulevard.

The applicant is requesting annexation of a 5.948 acre tract on the east side of Eastern Boulevard across from Hillside Manor with R1 zoning to allow for a residential development project. A public hearing regarding this annexation was held on August 22, 2006. The primary reason for the delay in making a decision on this annexation has been due to concerns over whether the annexation would result in future road widening responsibilities for the City on this section of Eastern Boulevard. A letter has been received from the applicant, requesting a Council decision on this annexation request.

Conditions of annexation discussed previously related to the following: site development concerns, stormwater management, access to Eastern Boulevard, donation of right-of-way along Eastern Boulevard, financial contribution to the Eastern Boulevard assessment district, and orientation or buffering of units from Eastern Boulevard.

Planning staff would recommend approval of the annexation resolution, with the recommended conditions of development, for the following reasons:

1. The City Attorney has issued his opinion that annexation of this property would in no way legally bind the City to any responsibility towards this section of Eastern Boulevard.
2. Because of a nearby "enclave gate" at the northeast corner of Potomac Manor which cannot be closed by annexation, this property provides the only undeveloped land connection north of Security Road that would

allow for future annexations of nearly 45 acres of undeveloped land in this area of the City's Medium Range Growth Area (MRGA).

City and County staff met a number of times to draft a Memorandum of Understanding on road maintenance and widening responsibilities on Eastern Boulevard, but this endeavor stalled and has been indefinitely abandoned.

Councilmember Metzner asked if the property between a 31 acre and a 34 acre parcel is subject to annexation. Ms. Maher indicated it is not, unless the property owners would request annexation.

Councilmember Metzner asked if anything beyond the MRGA will be annexed. Councilmember Brubaker stated the property needs to be annexed in order to regulate what occurs there. He stated the County has included improvements to Eastern Boulevard in their budget. These properties are within the MRGA.

Councilmember Metzner is concerned there is almost an enclave of County property. He doesn't believe these properties will be an asset to the City. He is concerned that these properties are only being considered for annexation in order to access other properties.

Mayor Bruchey stated the Eastern Boulevard Annexation will be included on the agenda for the July 29, 2008 regular session. The approval of an annexation resolution was tabled at the June 19, 2007 session. The approval must first be removed from the table.

Amendments to Water and Wastewater Policy

Kathleen Maher, Planning Director, and Michael Spiker, Utilities Director, were present to discuss amendments to the policy.

On June 3, 2008, staff presented recommendations for amendments to the Water and Wastewater Policy as a result of changes recommended in the Comprehensive Plan. The revised Annexation Policy and the 2008 Comprehensive Plan identify the MRGA as the limits of City water and wastewater service. Because there are unique situations where the provision of such services beyond the MRGA is desirable or required, the Water and Wastewater Policy needs to be amended to enumerate those exceptions to the Annexation Policy for service beyond the MRGA.

As discussed on June 3rd, the following changes are proposed:

3. Modification – existing lots of record between the MRGA and the Urban Growth Area (UGA), if the subdivision plat or site plan included a note that water and/or wastewater would be provided by the City of Hagerstown.
4. New – redevelopment of properties with existing customers.

5. New – properties subject to pre-existing water and/or wastewater agreements.
6. New – economic development projects in targeted areas (provision in 2008 Comprehensive Plan).
7. New – properties with pre-annexation agreements (exemption in Annexation Policy).

For exceptions #1-5, a pre-annexation agreement must be submitted to the City as a condition of service.

On June 3rd, Councilmember Brubaker requested that staff investigate the number of infill lots that exist outside the MRGA. The Water and Wastewater Department staff estimate that there are 640 vacant lots of record between the MRGA and the UGA boundaries. Staff is still exploring the number beyond the UGA line.

Adoption of the draft policy will be included on the agenda for the July 29, 2008 regular session.

Proposed Contract Extension – Refuse and Curbside Recycling Collection

Rodney Tissue, City Engineer, stated the current trash and recycling collection contract will end on December 31, 2008. However, the contract has an option to renew with Allied Waste Industries, Inc. (Allied) for an additional 36 months at mutually agreed upon terms between the City and Allied. Allied has indicated that they are interested in a three year extension. Such an extension must be approved by the Mayor and Council.

Staff requests that Mayor and Council consider extending the current contract with Allied Waste for an additional three years based on the following terms.

As indicated in the “Term, Termination, Extension, and Payment” portion of the contract, the City determines annual inflationary price adjustments based on the movement of the Consumer Price Index (CPI) for this area. Inflationary adjustments have been made in January of 2006, 2007 and 2008. The proposed contract extension would continue this adjustment process and the collection rates would be adjusted based on the CPI movement in January 2009, January 2010, and January 2011. Using the price index ensures the City is getting a fair and equitable adjustment based on real inflation rates.

The second part of the rate adjustments would be the “fuel recovery fee.” Up until this point, the City has paid Allied a fixed rate of \$ 600 per month as a fuel recovery fee. Because of the significant rise in diesel fuel over the past several months, Allied has suffered a significant additional cost and staff agrees that an equitable index based on the national cost of fuel should be implemented.

Staff recommends utilizing the Department of Energy’s website where the fuel cost fluctuation can be found. The monthly fuel recovery fee should be based on an amount

equal to the increase in that index, using a base rate of \$ 4.82 per gallon as of June 30, 2008 times the average monthly fuel consumption of Allied to collect the waste of 2840 gallons, plus the \$ 600 per month. If the fuel goes to or below the \$ 4.82 per gallon price, the City would only pay the \$ 600 per months. If fuel goes above the \$ 4.82 per gallon, Allied would bill the City for the difference and the prevailing fuel price times the 2840 gallon plus \$ 600 per month.

Mr. Tissue stated using these indexes will allow the City to hold the price for trash collection, at least through this year. If the Mayor and Council want to consider major changes in the contract, he recommends extending the contract for one year and study the other options during that year.

Other considerations include:

1. There has been no increase in the refuse trash and recycling service fee since December 20, 2005, when the fee was adjusted to \$ 33.75 per quarter. Considering the rapid increase in fuel costs, tipping fees and inflationary increases, the City has managed to keep the collection fee costs to an absolute minimum for the residents of the City.
2. When the contract was bid in 2005, a dramatic increase in the collection rates was seen. Due to the limited amount of vendors that can service the City's needs, ramifications need to be carefully considered if the contract is rebid.
3. Recycling continues to be a growing program. The June commingled collection was the highest monthly tonnage since the program began in April 2006.
4. Since this contract was implemented in January 2006, the citizens have diverted 5,136.41 tons of recyclable materials and yard waste from the landfill.
5. Allied sells the mixed paper they collect and it is recycled locally. Allied pays to get rid of the commingled items. They sell the material where it must be sorted and processed to be re-used.

Councilmember Cromer stated she expected to see a reduction in the collection bill to compensate for the increase in recycling. Mr. Tissue pointed out that Allied has to pay someone to take the commingled items.

Councilmember Metzner stated the price of all metal has increased. He thinks the contract should specify that recycling income will be used to offset the collection costs. If a third receptacle was provided for all metal, Councilmember Metzner is concerned people would take the metal from the containers. He suggested removing metal from the waste stream. He also suggested extending the contract with Allied.

David Langas, Allied Waste, stated pulling the metal commodity from the waste stream would result in higher costs to recycle the remaining plastic.

If Council wishes to consider other practices, such as automated collections, once per week trash collection, use of totes, mandatory recycling, recycling rebate programs, etc., staff would recommend that a Task Force be put together to study these additional possibilities. Mr. Tissue suggested a small group of citizens and staff study these additional options and make recommendations to the Council.

Councilmember Parson-McBean supported the forming of a Task Force. Councilmember Cromer stated Allied has two years of data for recycling and this could be used in determining changes in the contract.

Mayor Bruchey stated the contract extension could be scheduled for approval at the September, 2008 regular session.

During the Jonathan Street road closure, trash is collected at the old car wash. Residents carry their trash to this location and the hauler backs down the block and drags the trash to the truck.

It was the general consensus of the Mayor and Council to appoint a task force to study options in the contract. Councilmember Nigh suggested that Councilmember Parson-McBean be a member of the task force.

Washington County Community Mediation Services Overview

John Hart and Ryan Trout were present to discuss the Washington County Community Mediation Services (WCCMC) group.

The WCCMC prides itself on providing free mediation services to the residents of Washington County. They conduct between 15-25 mediations per month with a ratio of success of approximately 89%.

Mr. Hart serves as the Outreach Specialist to the low-income community. Mr. Trout works primarily as the Youth Outreach Specialist.

The mediation process consists of gathering information and brainstorming solutions. At the completion of the process agreements are written. The average session lasts for two hours and it usually takes two to four sessions to resolve issues.

The WCCMC is seeking office space due to the increase in the need for their services. They would like to build a partnership with the City and have a City member on the conflict resolution board. Training is provided by Mediation Maryland.

A recess was taken.

Information on Take Home Vehicles

During the June 10, 2008 Work Session, the Mayor and Council decided to pull Take Home Vehicles from that meeting's agenda, with the understanding they would decide how best to address this topic in the future.

Staff have taken a number of steps to further address the Mayor and Council questions following the June 10, 2008 discussion. Those actions include:

1. City Vehicle Policy: Staff are finalizing a more comprehensive City policy than the current policy for use of City vehicles. The policy will provide more clarity for employees and set forth appropriate standards for vehicle use.
2. Reduction in Utility Operations Take Home Vehicles: four vehicles for take home use have been eliminated. Two more vehicles have been identified for elimination of take home use upon the retirement of the current users.
3. Odometer Readings: Drivers of take home vehicles were asked to record odometer readings for the one-way commuting distance to or from work.
4. Proper Use of Take Home Vehicles: Each manager with take home vehicles in their department's operations has communicated to their employees the importance of the City's current policy.
5. High Fuel Costs: Department managers are continuing to take appropriate steps to limit the impact of high fuel costs by reducing the utilization of City vehicles where feasible.
6. Insurance Policy: A copy of the City's vehicle insurance policy has been provided to Councilmember's Cromer and Nigh. Copies of this policy are also available for any other member of the Mayor and Council who may wish to receive one.
7. Total Vehicle Mileage and Maintenance Costs for Take Home Vehicles: Information Technology personnel devoted many hours to pulling the actual amount of fuel pumped for each take home vehicle for the period November, 2006 through October, 2007. As part of this effort, Information Technology has also assembled detailed maintenance records for the City's take home vehicles since the year 2000.

Employees in Police, Fire and Utilities have expressed concerns over the distribution of their home addresses. The policy that is being finalized will require daily mileage logs for take home vehicles. The policy will also require drivers of take home vehicles to record their call-outs each month.

By agreement with a prior Mayor and Council, the members of the Street Crimes Unit agreed to discontinue receipt of "Line-Up" pay in return for taking these vehicles home. The Public Works Manager and each of the three supervisors rotate being on call throughout the year. Vehicles 532, 515, 230 and 202 are field supervisory vehicles to ensure that customer service needs are met, public safety is maintained, and regulatory

compliance is met. Vehicle 506 is utilized by the Chief of Laboratory testing, who has multiple reporting locations and has been provided a City take home vehicle for more than 20 years. The only Department Managers presently with take home vehicles are the Police Chief, Fire Chief, Public Works Manager, and Parks Superintendent.

There have been comments that the staff have not responded in a timely manner to Mayor and Council requests for information.

Records indicate that memorandums, as early as 2005, were prepared by staff and distributed to the Mayor and Council. In addition to the 2005 information staff provided the Mayor and Council the list of City take home vehicles on March 12, 2007. Staff has attempted to respond to the Mayor and Council in a timely fashion with the requested information.

The City's Finance Department adheres to the requirements set forth by the Internal Revenue Service regarding the reporting of personal use of City vehicles as a taxable fringe benefit. The City's auditors have confirmed that the procedures are in compliance with IRS requirements.

There have been incidents of inappropriate use of City vehicles. These incidents have been addressed based on the results of a department's review and/or investigation and have involved the Human Resources Department and City Administrator. The City has personnel procures in place to investigate these reports and appropriately discipline, reprimand, and educate employees when there has been inappropriate use.

Staff will continue to build on the action steps identified earlier. They will continue with the following steps:

1. Implement further steps to reduce fuel consumption and costs.
2. Take future steps to reduce take home vehicles.
3. Continue to emphasize and enforce the City's policy pertaining to the use of City vehicles.
4. Finalize a more comprehensive policy that will strengthen use and management of City vehicles.
5. The City will continue to evolve technology through the acquisition and current implementation of the MUNIS Software System, as well as other complimentary systems. This will provide a more comprehensive means of preparing and distributing information to all City stakeholders.

Mayor Bruchey asked for questions from the information provided by staff.

Councilmember Nigh inquired about insurance coverage if an employee is responding to a call out in their personal vehicle. Mr. Zimmerman stated the personal insurance would be the primary company and the City would be the secondary company.

Chief Smith stated there was an incident in which a police officer was responding to a call in his personal vehicle, with a police escort. The employee was involved in an accident on the way to the scene. His personal insurance did not cover the damages. The City's policy did cover the cost of the damage.

Councilmember Cromer thought the City's policy would cover an accident if the employee was responding directly to the location of a call out. Mr. Zimmerman stated this could be clarified.

Mayor Bruchey stated it would be counterproductive that an employee would have to pick up a vehicle from a City building and then respond to a call. It may be the person lives close to the location of a call out and this would increase the response time.

Councilmember Parson-McBean hopes the Council is not saying they want to eliminate take home vehicles. The reason for having a take home vehicle is so the employee can respond quickly.

Councilmember Nigh questioned why a supervisor, not on call, has a take home vehicle. Eric Deike, Public Works Manager, stated the practice has been the supervisor responds to the location and determines what work is necessary. The supervisor does not always go out to the location. Employees are called out based on an overtime list.

Junior Mason, Parks and Recreation Supervisor, stated the department has staff that work seven days per week and more than eight hours per day. Take home vehicles are provided for the extra expected work.

Councilmember Nigh is concerned that no log is kept of call outs and mileage. A log, from this time forward, would be beneficial.

Mayor Bruchey stated the discussion so far has been a policy issue. The Council needs to focus on what to include in the policy and what it covers.

Councilmember Nigh asked if the number of take home vehicles for Public Works could be reduced to one. Mr. Deike stated all the supervisors use the vehicles as traveling offices also and keep equipment in the vehicle. Councilmember Cromer suggested transferring the equipment from the vehicle when someone else is on call.

The majority of take home vehicles have equipment needed at various locations. Mr. Deike indicated that all four take home vehicles are used heavily during the winter months if there is a snow storm.

Mayor Bruchey asked what kind of hardship eliminating four vehicles in the utilities will be. Michael Spiker, Director of Utilities, stated it is too soon to tell.

Mayor Bruchey stated he is trying to work through this issue to get to a place where the take home vehicles make sense, saves taxpayer dollars and still allow the job to be

completed. He doesn't see a better solution, unless the Council directs staff to reduce the number of take home vehicles by some percentage.

Councilmember Brubaker would like to see criteria for take home vehicles and have staff determine how the existing take home vehicles fit into those criteria.

Mr. Zimmerman asked for clear direction from the Council. Councilmember Cromer does not think four supervisors who are not on call should each have a take home vehicle. Mr. Zimmerman stated some take home vehicles have been viewed as part of their compensation package. If this is to be changed, it would be helpful if the Council would say, given the circumstances, it is no longer justifiable to provide the take home vehicle. He clarified the Council has said if there are four supervisors and one is on call, only the employee on call would have a take home vehicle. Councilmember Brubaker thinks these statements are premature. He would like to review the policy before making any recommendation.

Councilmember Parson-McBean is concerned about the City's insurance liability exposure for employees who live outside the city, county or state.

Mayor Bruchey stated the Policy Committee will provide a take home vehicle policy for the Mayor and Council's review, which will include criteria for the take home vehicles.

Councilmember Cromer asked if other issues will be discussed in an executive session. Mayor Bruchey stated he would discuss this with Councilmember Cromer.

The policy will be presented to the Mayor and Council for discussion at the August 5, 2008 meeting. This will be the only item on the agenda.

CITY ADMINISTRATOR'S COMMENTS

Bruce Zimmerman, City Administrator, had no additional comments.

MAYOR AND CITY COUNCIL COMMENTS

Councilmember A. Parson-McBean hopes the take home vehicle issue becomes easier with each discussion. She feels progress is being made. The information provided has been helpful.

Councilmember M. E. Brubaker had no additional comments.

Councilmember K. S. Cromer had no additional comments.

Councilmember L. C. Metzner stated the VELO race was nice to watch.

Councilmember P M. Nigh stated more space is needed for the yard sales held at Fairgrounds Park. She would like to increase the number of sales per year also.

Mayor R. E. Bruchey, II reminded everyone that National Night Out will be held on August 5, 2008 at 6:00 p.m.

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 6:21 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: August 26, 2008