

WORK SESSION AND EXECUTIVE SESSION – September 15, 2009

Mayor R. E. Bruchey, II called this Work Session and Executive Session of the Mayor and City Council to order at 4:06 p.m., Tuesday, September 15, 2009, in the Council Chamber, 2nd Floor, at City Hall. Present with the Mayor were Councilmembers W. M. Breichner, M. E. Brubaker, F. Easton, A. C. Haywood and L. C. Metzner; City Administrator Bruce Zimmerman, City Attorney Mark Boyer, City Attorney William Nairn and D. K. Spickler, City Clerk.

Work Session – September 15, 2009

Presentation of Proclamation: National Alcohol and Drug Addiction Recovery

Mayor Bruchey read a proclamation naming September 2009 as National Alcohol and Drug Addiction Recovery Month. The proclamation was presented to Rebecca Hogamier and Melissa Bartles, Washington County Health Department.

Preliminary Agenda Review

Consent Agenda

- A. Engineering: Ridge Avenue Traffic Island – Concrete Central, LLC (Hagerstown, MD) Not to exceed \$ 65,000.00
- B. Water Department:
 - 1. Check Valve for Pump 3 – Gardner, O’Conner, Inc. (Pasadena, MD) \$ 10,214.00
 - 2. Engineering Services for Dam Repairs and Tree Removal – Triad Engineering, Inc. (Hagerstown, MD) \$ 35,380.00
 - 3. Dam Repairs and Tree Removal – W. F. Delauter & Sons, Inc. (Emmitsburg, MD) \$ 152,358.65
 - 4. West End Tanks II – Construction Phase – Pre-Load, Inc. (Hauppauge, NY) \$ 5,435,840.00
 - 5. Tank Painting – Preferred Tank and Tower, Inc. (Evansville, IN) \$ 95,000.00

Councilmember Breichner questioned why both the engineering and the work for the dam repairs and tree removal were on the consent agenda. One of the items is over \$ 100,000. Nancy Hausrath, Water Operations Manager, stated MDE requires an inspector to be on site.

Councilmember Breichner asked why the tank construction, at \$ 5,435,840, is on the consent agenda. He would like an opportunity to discuss why the tank is to be concrete instead of steel. Michael Spiker, Director of Utilities, stated this was discussed with the prior administration. Ms. Hausrath stated the tank is to be concrete because of aesthetics. Councilmember Haywood suggested having a discussion about the tank with the current

administration. It was the general consensus to move the dam repairs and tree removal to new business for the next meeting.

Mr. Spiker indicated the funding is in place for Phase II for the water tank. He stated if this is not approved, the funding may be lost. Councilmember Haywood asked for all the background information from previous discussions. Councilmember Metzner indicated this had been discussed previously. Councilmember Breichner stated he would like to review proposals for steel tanks.

Mr. Zimmerman indicated this is the second tank in the project. The Planning Commission has approved the placement of the tank. Ms. Hausrath indicated the notice to proceed has to be submitted to the contractor by December 31, 2009, or the funding will be rescinded.

It was the general consensus to move this contract to new business also.

Councilmember Easton stated if this administration is expected to carry out issues that were decided previously they should have a list of pending projects and the relevant information so they are up to date. Councilmember Metzner stated this administration toured the site of the project and received an update at that time.

Councilmember Brubaker stated it would be a courtesy to provide background information to the new members of the Mayor and Council. Councilmember Metzner stated the replacement of the 24" mains will be coming up in future meetings. He suggested including a discussion of this at a work session.

Mr. Zimmerman indicated staff has been working with an engineering firm and MDE on these projects.

Approval of an Ordinance: Increasing Water Rates

Approval of an Ordinance: Increasing Sewer Rates

Councilmember Brubaker stated he is still reviewing some fiscal information but does not have a specific recommendation at this time. The water and sewer fund needs to remain sound in order to keep the bond ratings competitive. If the rates are not increased, it could negatively impact future budgets. He stated the previous Council put this administration in this position because they did not increase rates.

Councilmember Metzner stated it is not fair to say the previous administration put this administration in this position. A cost of service study recommended the rates were acceptable. The most recent cost of service study indicated the revenues did not cover expenses.

Councilmember Haywood stated the City's rates are still competitive and conservative. The customers hit the hardest are those on fixed incomes. There is assistance for those customers.

Councilmember Breichner stated if there had been increases throughout the last several years, this administration would not have to be looking at spreading out the increases over five years.

Alfred Martin, Finance Director, stated no one wants to increase rates, but sound fiscal fundamentals are necessary. In the past, the water and sewer funds have been self supporting. This is changing and the increases are necessary.

Mr. Spiker indicated the State budget cuts affect the general fund and the enterprise funds stand alone. However, those funds are an integral part of the City's operations and any cuts that are made in the general fund will be made in the enterprise funds.

Approval of Alsatia Mummer's Parade Funding Support

The Alsatia Club will hold its 85th Mummars Parade on Saturday, October 31, 2009 at 6:00 p.m.

This year the Alsatia Club needs help in raising funds for cash prizes for the different award categories. The total needed is \$ 8,500.00. They also need help with manpower the night of the parade. They are asking for the City's Community Affairs Office to help raise funds and help promote the need for volunteers.

The Alsatia Club would also like a \$ 2,000 donation, as was made the past four years.

It was the general consensus to include approval of the request on the regular session agenda.

This completed the preliminary agenda review.

Proposed Additional Rx Option – Retirees on Medicomp Plan

Donna Frazier, Director of Human Resources, reported the Healthcare Committee tracks the use of the City's Medical and Rx Plans monthly to identify areas where changes are needed to better meet the needs of participants.

The Committee supports a voluntary option that would allow the City's medicomp Plan participants to stay in the medical plan, but opt out of the City Rx Plan, if they choose a Medicare Part "D" Rx Plan. If participants enroll in a Medicare Part D Rx Plan, the City would reduce their monthly premium by \$ 83.00. It is expected this reduction to be cost neutral, given that participant drug cost would no longer be covered by the City.

It was the general consensus to approve the Rx option.

Hagerstown Advance

Deborah Everhart, Director of Economic Development, Karen Giffin, Director of Community Affairs, Rich Daughtridge, 2nd Floor Media, Tim Latsbaugh, High Rock and Terri Fleetwood, Fleetwood Designs, were present to review the progress of the Hagerstown Advance program, which will launch on September 25, 2009.

Hagerstown Advance is a specialized City economic development initiative to nurture, promote, and attract knowledge-based enterprise and a creative workforce, and connect them with incentives, opportunities and properties that lead to higher wages and jobs for Hagerstown's citizens and revitalization of its neighborhoods.

This endeavor features a number of tools that will be used for economic development. The tools are built in a way that maximize the limited staff and funding of the City's Economic Development Department, and allow this department to quickly and credibly reach out to existing and prospective businesses, investors, etc.

Hagerstown Advance creates defined districts based on unique infrastructure, access and properties to market accordingly to existing and outside firms. The project deliverables consists of a website, video, mailers, branding of areas and hand out materials.

Implementation of the project includes the website maintenance by City staff. The website has been created so staff can easily maintain and update all parts of the site. City staff will also be promoting the site locally and regionally.

Next steps include the creation of a Business Development Team comprised of business people willing to devote the necessary time and resources to implement the City's Economic Development mission, vision, goals and strategic objectives.

Councilmember Easton asked who the direct mailing will be sent to. Ms. Everhart indicated real estate brokers, engineering firms and developers will receive the mailing. The initial mailing will be the four state area around Hagerstown.

Mayor Bruchey stated the program will also focus on colleges that have incubator programs.

Proposed Bottle Club Ordinance

Chief Arthur Smith, Hagerstown Police Department, and Mark Boyer, City Attorney, presented a revised Bottle Club Ordinance, reflecting the changes discussed at the July 7, 2009 Mayor and Council meeting.

The current version contains language which allows restaurants, not eligible for a liquor license due to their seating capacity, to continue the practice of allowing customers

to bring beer or wine into their premises for consumption while placing reasonable licensing regulation on this activity.

Without this ordinance Bottle Clubs, in effect, would be able to circumvent the regulatory authority of the Washington County Liquor Board and the City of Hagerstown.

Councilmember Haywood questioned the fee for the license. She is not sure an annual fee of \$ 100 is necessary. Mayor Bruchey asked if a one time filing fee of \$ 100.00 with an annual renewal of \$ 50.00 would be more acceptable. It was the general consensus this would be acceptable. Chief Smith stated the police department could notify the City Clerk if there is a problem with a licensee and request that the license not be renewed.

It was the general consensus to schedule introduction of the ordinance, with the changes discussed, for September 25, 2009.

Mr. Boyer left the meeting.

Zoning Text Amendment – Proposed Conversion Local Overlay Zoning District

Stephen Bockmiller, Development Review Planner/Zoning Administrator, presented proposed Conversion Local overlay zoning district text to the Mayor and Council for consideration.

Mr. Bockmiller indicated this overlay text will address existing uses in non-conforming areas. He estimates there are 200 uses of this type throughout the residential districts in the City. If a non-conforming use ceases to exist for more than one year, the use is no longer permitted. Some of these former commercial use buildings are not conducive to use as a residential property.

The proposed amendments will allow current and former commercial buildings and components of mixed use buildings to reoccupy the site for select uses that are permitted in the C1 zoning district. All uses will be reviewed on a case-by-case basis and will include development standards.

The Planning Commission has recommended approval of the proposal.

Stuart Bass, Comprehensive Planner, stated the applicant will have to go through a hearing process, similar to rezoning requests. Mr. Bockmiller stated the fee for this type of request should be reviewed, to make it more feasible.

Councilmember Easton asked how this will affect the car wash on Jonathan Street. Mr. Bockmiller stated this is now an expired non-conforming use. This amendment would allow the car wash building to be modified for one of the nine uses on the list, but a car wash would not be permitted.

It was the general consensus of the Mayor and Council to move forward with this amendment.

Downtown Holiday Parking Program

Eric Deike, Manager of Public Works, was present to discuss the annual holiday parking program in downtown.

Staff would like to initiate 2 hours of free parking as of 6:00 a.m. on November 23, 2009 and end the special rate by 7:00 p.m. on Friday, December 25, 2009. The intent is to encourage patrons to visit downtown during the holiday season to shop and dine.

It was the general consensus to continue this program.

Parking Deck Access and Rate Changes

Eric Deike, Manager of Public Works, and Jason Rodgers, Parking System Manager, stated staff is requesting that the entry/exit gates at the North Potomac Street Deck and the Arts & Entertainment Deck be lowered at all times effective immediately. They also request that a parking fee of \$ 1.00 be charged for any time after 7:00 p.m. and before 6:00 a.m. of each weekday and for parking any time on Saturday, Sunday and Holidays. The new rate would go into effect Monday, January 4, 2010.

Currently, the entry/exit gates at both decks are raised at 7:00 p.m. weekdays and lowered at 7:00 a.m. at the North Potomac St. Deck and 6:00 a.m. in the A & E Deck. During the weekend and holidays, the gates are also raised providing free parking. The raised gates by-pass key features of the entry system and make portions of the system work improperly.

Over the last six months, staff has been tracking the usage of the A & E Deck after hours and on weekends. Records indicate that, on average, there are over one thousand drivers entering the parking facility per week. It is unclear how many drivers use the North Potomac Deck after hours and on weekends.

To pay for staff, utilities, maintenance and the debt service on this deck, revenue must be generated. By charging a nominal fee of \$ 1.00 for after-hour parking, the parking system could recoup some funding to pay for the expenses of the decks. Brief conversations with downtown businesses and the A & E Connection Group shows little to no resistance to charging a nominal fee for after-hours and weekends.

The 2009/2010 approved budget includes the new rate.

Councilmember Metzner stated there will be a significant loss of parking fund income when the hospital moves from its current location.

Councilmember Brubaker indicated the change in the rates should be well advertised.

Mr. Deike stated the gates will not be down in the evenings until the change is advertised.

Formal approval will be scheduled for September 22, 2009.

CITY ADMINISTRATOR'S COMMENTS

Bruce Zimmerman, City Administrator, reminded everyone that Trick or Treat was set during the annual discussion last year for Friday, October 30, 2009 from 6:00 p.m. to 8:00 p.m.

Alfred Martin, Finance Director, provided updated information of the City's bond issue. The modification approved by the Mayor and City Council for the issue resulted in an average interest rate of 3.31 % over the 20 year term of the bond.

MAYOR AND COUNCIL COMMENTS

Councilmember F. Easton had no additional comments

Councilmember A. C. Haywood reminded everyone that September 19, 2009 is the date for the annual clean up of the Antietam Creek.

Councilmember L. C. Metzner complimented staff for their monitoring of the market and watching for a more advantageous time to issue the bonds. He also congratulated staff for working to meet the requirements for OPEB (other post employment benefits).

Councilmember W. M. Breichner noted that many pet owners are not cleaning up after their pets. He suggested placing bags for this type of trash in strategic locations downtown.

Councilmember M. E. Brubaker had no additional comments.

Mayor R. E. Bruchey, II congratulated Lt. Margaret Kline, who was recently named professional woman of the year. Lt. Kline deserves this award in recognition of her many years in law enforcement and involvement in the community.

EXECUTIVE SESSION – September 15, 2009

On a motion duly made by Councilmember A. C. Haywood and seconded by Councilmember L. C. Metzner, 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 at 6:29 p.m. in the Council Chamber, 2nd 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. Easton, Councilmember A. C. Haywood, Councilmember L. C. Metzner, City Administrator Bruce Zimmerman, Deborah Everhart, Director of Economic Development, Larry Bayer, Director of

Community Development, City Attorney William Nairn, Randy Catlett, HRA Chairman, and Donna Spickler, City Clerk. The meeting was held to consider a downtown business proposal and loan request. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the meeting was adjourned at 6:50 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: October 27, 2009