

90TH SPECIAL SESSION, WORK SESSION AND EXECUTIVE SESSION –
December 9, 2008

Mayor R. E. Bruchey, II called this 90th Special Session, Work Session and Executive Session of the Mayor and City Council to order at 4:03 p.m., Tuesday, December 9, 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 Mark Boyer, City Attorney William Nairn and D. K. Spickler, City Clerk.

Special Meeting – December 9, 2008

On a motion duly made by Councilmember K. S. Cromer and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to meet in Special Session.

Introduction of Ordinance: City of Hagerstown Water Quality Bonds

Action: On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember M. E. Brubaker, the Mayor and City Council unanimously agreed by voice vote to introduce an ordinance authorizing the City of Hagerstown to issue and sell upon its full faith and credit, general obligation bonds to the Maryland Water Quality Financing Administration in one or more series in an aggregate principal amount not to exceed \$ 7,194,571, each series of bonds to be issued and sold and the proceeds thereof to be used and applied for the public purpose of financing, reimbursing or refinancing a portion of the cost of acquiring, constructing, improving, installing and equipping UV disinfection improvements, headworks improvements and related improvements at the wastewater treatment plant, as more fully described in the ordinance together with related expenses and costs of issuance. Staff is hereby also directed to proceed with developing the necessary detailed resolutions and other documents to proceed with the sale of the bonds as directed by this ordinance. The detailed resolution will be presented to this body for approval at a future date prior to the issuance of the bonds as specified in the ordinance.

The Special Meeting was closed at 4:07 p.m.

Preliminary Agenda Review

Mayor Bruchey announced the meeting schedule now includes a Work Session on January 6, 2009 to meet with The Ferguson Group.

Consent Agenda

A. Public Works:

1. Contract: Spring Dumpster Program – Allied Waste Services
(Hagerstown, MD) \$ 115.50 per pull/\$50 charge for tipping fee per ton

This program costs about \$ 90,000 each year (including labor and tipping fees).

2. Gasoline and Diesel Fuel for Fleet Services
87 Octane Gasoline – variable per market (\$2.6128 per gallon as of Oct. 6, 2008) AC&T
No. 2 Diesel Fuel – variable per market price (\$3.1220 – October 6, 2008)
Petroleum Traders Corp.

B. Water Department: Water Treatment Chemicals – Various Vendors - \$ 583,887

C. Community Affairs: 2008 Western Maryland Blues Fest Budget

Approval of Grant Award: MOU with SHA Recreational Trails Program – Hamilton Run Improvements

Stuart Bass, Comprehensive Planner, informed the Mayor and City Council the City has been awarded \$ 30,000 for the TEA-21 funds, Recreational Trails Program, to supplement the newly constructed trail along the Hamilton Run greenway. Staff is requesting that the Mayor and Council accept the grant to provide amenities for the recently constructed Hamilton Run Trail and the Trail Extension associated with the channel restoration project. The City needs to execute a Memorandum of Understanding with the State Highway Administration. The MOU has been reviewed by the City Attorney's office and deemed acceptable.

This project will involve the acquisition of a broom/sweeper to fit the Bobcat, which will be utilized to clean and maintain the trail network. Other amenities include landscaping, stream bank maintenance, benches and trash cans.

Mayor Bruchey asked staff to determine if this type of broom/sweeper would work in alleys downtown.

It was the general consensus to include approval of the MOU on the December 16, 2008 agenda.

Approval of Lease: Potomac Classical Youth Ballet Company – 14 North Potomac Street, B2 Basement

The Potomac Classical Youth Ballet Company has requested a reduction in their rental amount due to increased expenses and a loss of funding. It was the general consensus to renew the lease, at a reduced monthly rental amount.

Adoption of the resolution will be scheduled for December 16, 2008.

This completed the review of the Preliminary Agenda

Budget Retreat Meeting Date

Staff recommends that the Mayor and Council hold a budget retreat early in 2009. Based on the current economic conditions throughout the country and the pressures on governmental budgets, staff thinks it will be useful to review the current financial situation and potential challenges that the City will face.

Councilmember Brubaker stated if changes need to be made to the current year budget it will be more difficult later in the fiscal year. Bruce Zimmerman, City Administrator, indicated the projections made for the current year budget were conservative and are being met.

The Mayor and Council agreed to hold a budget retreat on Tuesday, January 27, 2009 at 4:00 p.m. The regular session will be held at 7:00 p.m.

Western Maryland Blues Fest – 2009

Carl Disque, Executive Chair of the Festival, and Karen Giffin, Director of Community Affairs, were present to discuss the 2009 Blues Fest. City staff is seeking approval by the Mayor and City Council for authorization for the 2009 Western Maryland Blues Fest budget. As per the special events policy approved March 27, 2001, and revised January 8, 2002, the Western Maryland Blues Fest is submitting a tentative budget of revenues and expenses for the event so that the Mayor and City Council can approve the 2009 event by formal action and authorize any financial support or in-kind services to be supplied by the City. This is a working fluid budget for the committee pending venue selections and contract negotiations. The total budget is \$ 257,374.00. City Services of \$ 54,000 is included in the current fiscal year's Public Functions Account. The festival will be held May 27 – 30, 2009.

Councilmember Parson-McBean asked if federal funding has been sought. Ms. Giffin indicated information is being obtained.

It was the general consensus to approve the Western Maryland Blues Fest 2009 budget.

Consolidated Alarm Ordinance

Sheriff Mullendore and Chief Smith were present to discuss an alarm ordinance with the Mayor and Council. The consolidated 911 Center remains on track to open in 2009. As a part of the consolidation process, it is advisable to have a consistent alarm ordinance that will cover the entire County.

The ordinance will be administered by an Alarm Coordinator who will be an employee of the 911 Center and the fees involved will accrue to the County to defray this cost.

It is important that the City eventually adopt this ordinance so that City alarms are properly documented, installed, operated and maintained to limit the number of false alarms that personnel must respond to.

The Proposed County ordinance has many similarities with the current City ordinance but there are differences as well. The proposed ordinance includes additional regulations for alarm companies. The proposed ordinance is more forgiving than the existing City ordinance. It also includes an appeal process.

At this point no decision on the proposed ordinance is being requested of the Mayor and Council. The ordinance will be introduced to the County Board of Commissioners at a later date.

Amendment to City of Hagerstown Police & Fire Employees' Retirement Plan

Donna Frazier, Director of Human Resources, was present to discuss plan amendments to the Police and Fire Employees' Retirement Plan. The City of Hagerstown sponsors a retirement plan for the Police and Fire employees. The Plan is funded by both City and employee contributions. The Police and Fire Retirement Committee meets quarterly with the Investment Manager from PNC Bank. The Manager has recommended updating the Asset Class Investment Range and Targets in the Investment Policy Statement. The last update was in 2005. The attorney of record for the plan has provided four Plan Amendments to update job titles for covered employees and rules regarding distributions.

The members of the Committee voted to approve the Investment changes and to forward the policy update to the Mayor and Council for their approval.

It was the general consensus to include approval of the revised investment Guidelines for the Investment Policy and the introduction of plan amendments regarding distribution requirements and updated job titles for covered employees on the agenda for December 16, 2008.

Mayor Bruchey asked when contract negotiations are expected to begin. Ms. Frazier indicated negotiations would begin after January 1, 2009 with all four union employee groups.

Upper Story Revolving Loan Program

Kathleen Maher, Planning Director, presented program guidelines for the Upper Floors Redevelopment Revolving Loan Fund program. Earlier this year, the Mayor and

City Council reviewed the proposed details for this new program. Changes were made to the ranking system as discussed earlier. Start up projects will receive higher consideration.

There is currently funding available for the program from the FY 2008 budget, the FY 2009 budget and the 2008 Community Legacy Grant. In October of this year, the City applied for another \$ 125,000 of Community Legacy funding for this program.

The program will be administered as existing revolving loan programs are. These are administrated through Community Development and are reviewed by the Hagerstown Redevelopment Authority. Larry Bayer, Manager of Community Development, indicated this would be a normal function of the Department. An inspection of the property will be made before any funding is provided.

It was the general consensus to include approval of program guidelines on the December 16, 2008 agenda.

Utility Relief Fund Discussion

Karen Giffin, Director of Community Affairs, Dave Jordan, Executive Director of Community Action Council, Deanie Smith, Community Action Council and Sherry Neil, Community Action Council, were present to discuss the Utility Relief Funds.

Mayor Bruchey stated new criteria for disbursing the money was established in October. There is still a substantial amount of money available for residents. He is concerned that another concert is being held and there is still money left from last year. A suggestion had been made to establish a five member committee to volunteer two days in a row to accept and review applications for assistance. The applications would be submitted to Community Action Council (CAC) and the funds would be disbursed on an as needed base. The committee would provide the opportunity for residents to apply for the assistance during more convenient times.

Councilmember Cromer asked if the City will be handling future events. Councilmember Metzner stated he feels the disbursement should be handled by CAC. Guidelines should be clear and applications should be available at City Hall.

Mayor Bruchey indicated many applicants qualified for other CAC programs. Mr. Jordan stated the program is designed to assist people with paying for heating costs.

Mark Boyer, City Attorney, cautioned the Council that if a Councilmember is on this special committee there would be an obvious conflict. If City staff members are part of the committee to assist with completing the application there would not be a conflict. However, if City staff is part of the decision making process, there is potential for a conflict if the utility receiving the payment is the City of Hagerstown. Mayor Bruchey asked if a Councilmember's spouse could serve on the committee. Mr. Boyer would

have to review the ethical issues but there would certainly be less of a conflict if the spouse was not a City employee.

Mayor Bruchey suggested asking for volunteers to serve on the committee. All volunteers should contact the Mayor's office by Friday, December 12, 2008. He would then review the list and choose a five member committee. He will contact all Councilmembers for input and have the committee in place to assist with applications on Tuesday, December 16, 2008 and Wednesday, December 17, 2008. Mr. Jordan recommended having someone from CAC involved in the approval process.

Applications are also available at the Commission on Aging office.

Ms. Giffin stated the Utility Relief Benefit Concert is being held on Thursday, December 18, 2008 and tickets are available from the Maryland Theater. A press conference is being held on December 10, 2008 to promote the concert. Councilmember Parson-McBean stated there has been a reduction in sponsorships for the event. She feels the state of the economy is the cause for this.

A five minute break was taken.

Mr. Boyer left the meeting. William Nairn, City Attorney, arrived at the meeting.

Economic Development Marketing Program Discussion

Karen Giffin, Director of Community Affairs, stated a marketing plan has been developed with assistance from Second Floor Media, Ridge Runner Publishing and High Rock Studios. Mayor Bruchey, Karen Giffin and Deborah Everhart, Economic Development Director, also assisted with the plan. Tim Lasbaum, Second Floor Media, Kate Rader, Ridge Runner Publishing, and Rich Daughtridge, High Rock Studios, were also present to discuss the plan.

"Choose Hagerstown" 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. Though the end goal of the initiative is to positively impact the economic landscape for the entire city, the research supports an initial strategy that focuses on promoting and empowering the City's downtown business value and cultural appeals.

Mr. Lasbaum was directly involved with the web project in Charleston, South Carolina. Web polls were developed to locate talent in the area and create an inventory of buildings with vacant upper floors. When upper floors were filled in Charleston, existing businesses noticed an increase in their success. This plan looks to identify certain areas and develop an overall umbrella for this effort. The plan will create a bridge with the Economic Development Commission and the Chamber of Commerce and fill in

other gaps with economic development. This is a niche that is helping drive the revitalization of downtown. A brand for Hagerstown will be developed.

Mayor Bruchey stated numerous Councils have discussed what is needed to drive higher paying jobs in Hagerstown. The goal is to market Hagerstown using an economic development advisory board made up of specific paths, i.e. retail, residential, condo residential. He believes the City needs to be aggressive in bringing people here, instead of waiting for people to come to Hagerstown.

Councilmember Parson-McBean is familiar with branding for the purpose of enhancing economic development marketing. She is concerned this proposal was not put out for bid. She is concerned it will be heavily gentrified and there will still be pockets of the community left behind.

The videos created for recent State of the City addresses would be used as part of the marketing plan.

The project team anticipates a 12-15 week production scheduled for this project. The kickoff meeting will provide for clarification of the project scope, project assignments and prioritization of milestones.

Councilmember Parson-McBean stated the Council needs to meet with staff and let them know what they want.

Councilmember Cromer pointed out that the contract with The Ferguson Group was not bid out either. Councilmember Parson-McBean stated The Ferguson Group sent information for two years before they met with the Council at a work session. She asked where the information was, prior to this meeting, for the marketing plan. Mayor Bruchey indicated a meeting was held and Councilmember Parson-McBean did not attend.

Councilmember Brubaker would like to hear staff comments regarding the proposed marketing plan. The team assembled appears to bring many advantages to the proposal. Ms. Giffin indicated a group of staff members met and determined what tools would be needed to assist in developing a marketing plan.

Councilmember Parson-McBean stated other areas need to be addressed.

Ms. Rader stated the members of the development group have a good working relationship with the Economic Development Commission. This plan includes a branding component but it is not specifically a branding effort. The plan is a set of tools that the community could use to promote Hagerstown. It will be the City's job to utilize these tools to their best effect.

Mr. Daughtridge stated this plan is an initiative for economic development, it is not a "big picture" branding plan.

Councilmember Brubaker stated it should be made clear there would have to be further development to justify the continuing cost. There will be a lot of work involved to make this plan successful. Mayor Bruchey indicated this is why he has been heavily involved in the initiative. He stated the plan will provide the opportunity to show citizens what the community has to offer. Educational opportunities are strong and citizens can raise their families here. There is an educated workforce in Hagerstown but there aren't enough opportunities for employment.

Councilmember Parson-McBean stated she feels the educated workforce is transplanted here. She is concerned that the secondary core is not as well educated. She asked what is being proposed to help those citizens reach the next level of independence. Mayor Bruchey stated this plan is one piece of a whole economic development plan.

It was noted that Fleetwood Design will be a part of the marketing team. Mr. Lasbaum indicated other firms will be participating also. This plan is the City's initiative and provides a platform to build from.

Funding for this marketing plan is from the sale of buildings and a lot that was sold in the business park. The cost will be \$ 50,000 for the first 13 weeks.

Councilmember Brubaker, Councilmember Cromer and Councilmember Nigh agreed to move forward with the marketing plan. Councilmember Parson-McBean is not in favor of moving forward. Councilmember Metzner expressed concern that the FY 2010 budget may not be able to support a plan of this magnitude.

Approval of the plan will be included on the agenda for the December 16, 2008 meeting.

CITY ADMINISTRATOR'S COMMENTS

Bruce Zimmerman, City Administrator, had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmember P. M. Nigh thanked Neighborhoods First for providing cookies and cake for the tree lighting ceremony at City Park.

Councilmember L. C. Metzner also thanked Neighborhoods First and City staff for the decorations this year. He urged people to shop downtown for personalized service and unique gifts.

Councilmember K. S. Cromer thanked everyone for the holiday events.

Councilmember M. E. Brubaker also thanked everyone involved with the holiday events.

Councilmember A. Parson-McBean attended a breakfast today with Delegate Tawanna Gaines, who is a member of the Appropriations Committee. She stated the City has to ensure that all businesses are included in a marketing plan. She is concerned there is not inclusiveness in the marketing plan.

Mayor R. E. Bruchey, II had no additional comments.

EXECUTIVE SESSION – December 9, 2008

On a motion duly made by Councilmember K. S. Cromer and seconded by Councilmember M. E. Brubaker, the Mayor and City Council unanimously agreed by voice vote to meet in closed session at 6:40 p.m. to consider the acquisition of real property for a public purpose and matters directly related thereto, #3. The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember M. E. Brubaker, Councilmember K. S. Cromer, Councilmember L. C. Metzner, Councilmember A. Parson-McBean, City Administrator Bruce Zimmerman, City Attorney John Uner, City Attorney William Nairn, Finance Director Alfred Martin, Sharon Disque and City Clerk Donna Spickler. The topic was acquisition of property for a business expansion project and water service for another property. No formal action was taken at the session. The meeting was adjourned at 6:51 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: January 27, 2009