

WORK SESSION – December 11, 2007

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:00 p.m., Tuesday, December 11, 2007, 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.

The Municipal Financial Management Software Project Status Report was discussed at this time.

Municipal Financial Management Software Project Status Report

Ray Foltz, Assistant Finance Director, and Scott Nicewarner, Information Technology Manager, were present to discuss the software project. The City of Hagerstown Information Technology Strategic Plan for the period 2005-2009 has stated as two of its main goals to invest in and implement a system(s) to replace the aging and unsupported HP3000 platform, and provide citizen access to the maximum number of city functions as possible through technology. The pillar of these two goals is the implementation of a new Municipal Financial Management system.

Due to the realization that the implementation of this software project will be the largest and most complex installation of software and processes since the Year 200 project, Information Technology and Accounting/Finance have joined to be co-leaders of this process. A team of staff has been established with a representative cross-section of municipal business in order to gain as much insight into the needs of the City as a whole and not just those of a financial or technical nature. The project team developed a list of over 950 specific requirements that were deemed necessary to bring the business operations up to date. These requirements were added based upon not only current operations, but also upon what the team feels is going to be necessary to continue operations in a more citizen accessible and information productive way.

An open bid process was followed, and responses were received from seven national vendors. Upon initial review of the responses, two respondents were eliminated from the review process due to the fact that they responded to only portions of the complete system specifications. The five remaining vendors visited the City to demonstrate their products. The team is in the process of identifying and clarifying any issues discovered with the vendors. Local site visits to municipalities using the vendor's software are being planned. Evaluations are expected to be finished in January, 2008.

As with all technology purchases for the City, price will be a focused consideration in the reviews. The team will be taking a "total cost of ownership" review approach in the evaluations as the continuing costs of maintenance and support in addition to the purchase price is reviewed.

Much attention will be focused on the need to manage the environment of change within the City while implementing this software. The vast majority of staff in the City has only known one software package over the last 25 years, and will need to be assured that the introduction of new software and new processes is not a negative, but a positive in how they perform their job. It is also important to remember that the current HP3000 operations are rapidly becoming obsolete.

Mayor Bruchey asked if customers have been surveyed to determine what services they would like. Mr. Nicewarner stated they have not but this could be done.

The amount budgeted for the system is \$ 800,000, over the next two years. Mr. Nicewarner indicated the bid prices are within this range. The funding will be from the general fund and from the enterprise funds.

The team plans to provide a recommendation to the Mayor and City Council for their consideration by no later than February, 2008.

Edgewood Drive Intersection Project – Discussion with Maryland State Highway Administration Officials

Since the November 20, 2007 Mayor and Council Work Session discussion on the Edgewood Drive Project, City Engineer Rodney Tissue, has held several conversations with staff at the Maryland State Highway Administration (SHA). These conversations have primarily focused on the SHA's right of way acquisition for this project and potential cost increases for the City of Hagerstown and the Edgewood Drive project cost sharing agreement in relation to the replacement of the City's water lines.

To move forward with this project it is hoped that an acceptable Memorandum of Understanding can be presented to the Mayor and Council for the December 18, 2007 Regular meeting.

Kirk McClelland, Director of Highway Development, and Joseph Miklochik, Director of Office of Real Estate, from the Maryland State Highway Administration were present to discuss both the right of way acquisition and cost sharing issues.

Mr. Miklochik stated there are 46 properties to acquire. Forty appraisals are completed and twenty offers have been made. Eight agreements have been completed. The project is moving along well. He anticipates the process will be completed during March or April, 2008. He indicated the SHA can acquire property by condemnation, if necessary.

Councilmember Metzner asked if a reserve amount is included in the acquisition costs in anticipation of the actual costs being over the budget. Mr. Miklochik stated they tend to be liberal with pricing estimates. Mr. Miklochik and Mr. McClelland expect the acquisition costs to be under budget. There may be four to six properties for

condemnation, but the SHA continues to work with the owners even after the property is condemned.

The Memorandum of Understanding (MOU) was then discussed. Mr. Tissue presented information regarding what the Mayor and Council agreed to in July, 2006 in costs for the project. The total cost was \$ 12,000,000 and the City's share was \$ 2,400,000. Of that \$ 2.4 million, it was anticipated that \$ 750,000 would be from the Water/Sewer fund and \$ 1.65 million would be from the General Fund. There is an older water line in the area that could be replaced that is not part of this project and the SHA and the County Commissioners object to that replacement cost being part of the City's 20% share of the cost. The City's cost is now estimated at \$ 2,080,437, assuming the water line replacement is in addition to the street project.

Replacement of the water line is not in the CIP list. It would be difficult to anticipate if the line would survive the construction. Councilmember Metzner suggested letting the road project continue and replacing the line and tear up the road, if necessary. Mr. McClelland stated they don't normally do a project that is likely to be torn up in the near future.

Councilmember Brubaker stated a chart provided by Mr. Tissue indicated certain parts of the project are being taken off the table by the State and the County. This reduces the amount of General Fund expenditure but it is more manageable. The City should continue to negotiate with the other parties, especially since City taxpayers are paying at all three government levels.

Mr. McClelland indicated the complete water line replacement was included in the scope of work in July, 2006. The \$ 12 million estimate included spot relocation of some lines. When the City decided to replace the entire line, the State dropped the relocation costs. They would be willing to credit that amount (\$ 20,000 to \$ 30,000) to the City if the line is not replaced.

Mayor Bruchey suggested discussing the water line replacement at length with the County Commissioners. The project is long overdue.

Approval of the MOU will be scheduled for December 18, 2007.

#### Preliminary Agenda Review

#### **Public Hearing: Proposed Zoning Text Amendment – ZT-2007-02 (Front Yard Fences)**

This proposed text amendment would permit six foot high fences in front yards. Councilmember Metzner envisions three foot high picket fences in a front yard.

**Public Hearing: Zoning Map Amendment – ZM-2007-02**

A Public Hearing will be held to discuss the applicant's proposal to rearrange the existing zoning districts to better utilize the property. The net effect is the same and there is no change in the amount of acreage for any one particular zoning district.

**Consent Agenda**

**A. Public Works:**

1. Signal Equipment for Beechwood and Pennsylvania Avenue – Econolite Control Products, Inc.
2. Painting interior spaces of the DLLR Office – Trophy Painting (Sabillsville, MD) \$ 6,762.00
3. Replacement carpeting in the DLLR Office – Abbey Carpet and Floors (Hagerstown, MD) \$ 38,146.94
4. Relocate office furniture and cubicles in the DLLR Office – Pro Moving & Storage, Inc. (Chambersburg, PA) \$ 4,950.00

The painting, carpeting and relocating jobs at the DLLR office had been rebid from earlier in the year. The number of responses increased and the relocating price decreased.

- B. Light Department: Garage Door Replacement – K & K Door (Waynesboro, MD) \$ 14,340.00**
- C. Fire Department: 2008 KME Pumper Fire Engine – Kovatch Fire Apparatus (Nesquehoning, PA) \$ 381,011.00**

Chief Gary Hawbaker indicated the specifications for this fire engine were critical. Some of the streets in the west end are narrow and a short turning base is needed. KME met the specifications.

The amount of \$ 150,000 to \$ 195,000 will be provided by the volunteer company Western Enterprise and the remaining balance will be covered by CDBG funding. The final cost of the engine will be determined by the amount of money the City pays at the time of signing the contract. Savings of up to \$ 10,000 or more could be realized with an initial payment of \$ 300,000.

The recommended bid is \$ 81,000 over the budget and negotiations are continuing with Western Enterprises. Approval of the purchase will remain on the agenda for December 18, 2007.

**D. Water and Sewer Department:**

1. Portable Generator for Collection System Pump Stations – Pump & Power (Jessop, MD) \$ 22,330.00
2. Rebuilt 400hp High Service Pump Motor – AR&E (Hagerstown, MD)

- \$ 15,365.50
3. ABB Software License Upgrade – ABB (Warminster, PA) \$ 55,636.00

The cost of the license is for one year and will be used department wide. Funding from the operations account will be used to cover the amount over budget. The upgrade was deferred by one year since the County was installing wireless service.

Councilmember Brubaker stated they are receiving early warnings about budget shortfalls. It may not be feasible to do all the projects approved in the budget.

**Resolution: Denial of Country Club Road Quit Claim Request**

A motion will be made to not abandon interest in the right-of-way of Country Club Road.

**Resolution: Naming Alley 5-67 as “Lieba Alley”**

Alley #5-67 is parallel to and between the 900 blocks of Mulberry Avenue and View Street, running north-south from Pangborn Blvd. to East Hillcrest Avenue. The Engineering Department recently received a petition to name this alley as “Lieba Alley”. The petition was signed by someone from 21 of the 38 parcels in this block (18 of whom are property owners, and 3 tenants). There are no homes or businesses fronting this alley, so there will be no street address changes required.

In order to solicit comments from the remaining 17 property owners, a letter was delivered to all addresses whose property abuts this alley (and a copy mailed to non-occupied owners). In response to the letter, two comments were received. One response was in favor and the other was generally not in support. Therefore, the overwhelming majority request this naming of the alley.

It was the general consensus of the Mayor and City Council to approve naming the alley as “Lieba Alley.”

**Approval of FY 2009 Program Open Space Application**

The FY 2009 Program Open Space (POS) Proposed Projects list has been reviewed.

The list is as follows:

1. Potterfield Pool – Amenities for Deck; Tube Slide
2. Hellane Park – Barrier Free Modular Play System
3. Fairground Park – Irrigation System for three Soccer Fields
4. Pangborn Park – Upgrade Existing Restrooms
5. Funkhouser Park – Carrier Free Modular Play System
6. Mills Park – Dog Park
7. Staley Park – Barrier Free Modular Play System
8. City Park – Park Benches and Picnic Tables

9. Ridge Avenue Playground – Barrier Free Modular Play System
10. Various Parks – Picnic Tables, Benches, Trash Receptacles
11. City Park – Barrier Free Modular Play System (West Pavilion)
12. Hellane Park – Widen Existing Walkways
13. Fairgrounds Park – Overlay Driveway at Ice Rink
14. Pangborn Park – Fountains for Lake
15. Hellane Park – Storage Building
16. City Park – Improve Parking at Mansion House
17. Hellane Park – Replace Colt League Outfield Fence
18. Staley Park – Enlarge National Little League Outfield Fence

With the Mayor and Council's direction, the Parks Department will present the prioritized list along with the required applications and maps to the County in time to meet their December 21, 2007 deadline.

Mayor Bruchey stated some projects have been moved. The play systems at Hellane Park, Staley Park and Ridge Avenue Park will be funded through CDBG and will be removed from the POS list. Plans for the dog park are not ready. This will be removed from the list. The barrier free play system at the West pavilion at City Park will be moved to the 2010 list. Widening of walkways at Hellane Park is being removed from the list.

Councilmember Nigh asked that the Skate Park project be delayed until 2010. There currently is not sufficient staff to operate it.

Bruce Zimmerman, City Administrator, stated this is the first time POS funding has been requested for little league fields. Councilmember Nigh expressed concern that funding for parks may not be available if it is used for little league fields. Councilmember Metzner suggested discussing improvements with the respective little league leaders. The Colt League and National Little League only have two years to make the fence improvements in order to host national tournaments.

#### **Bester Place: Commitment of Community Development Block Grant Funds**

The City anticipates committing up to \$ 500,000 in Community Development Block Grant Funds to assist with development of least eight for-sale, workforce housing units in the 500 block of South Potomac Street. These funds, which will come from the Homeownership funds included in the annual Community Development Block Grant budget, will be lent to Washington County Community Action Council, Inc. at 0% interest and will be repaid to the City upon sale of the housing units.

This completed the preliminary agenda review.

#### Preparation for Delegation Meeting

The annual joint meeting with the Washington County Delegation will be held on Friday, December 14, 2007 at 10:00 a.m. Mayor Bruchey submitted two pieces of legislation to Council members for their review. He is proposing amendments to the Hotel/Motel Tax Revenue and the Tax-Set Off procedures for municipalities.

Councilmember Brubaker would like to hear the Delegation's view on funding within the Urban Growth Area. The library expansion project should be discussed also.

Legislation needs to be changed state wide to unify the title of Deputy Fire Marshall. Model language has been drafted and will be submitted as soon as the session opens in January, 2008.

Mr. Zimmerman indicated the local liquor board has proposed legislation on downtown sidewalk café licenses. The board feels it needs to go to the State because of the Liquor License requirements.

Councilmember Metzner expressed his concern that this joint meeting is held too late in the year to accomplish anything in time for the opening of the session. He would like to hear from the Delegation what they think is the most important legislation they could put forward for their citizens.

Mayor Bruchey stated the delegate that represents the City of Hagerstown will not be able to attend the meeting on December 14, 2007.

Councilmember Metzner pointed out the project at Edgewood Drive and US 40 and the expansion of the library are regional projects that benefit the County in general, not just the City of Hagerstown.

Councilmember Nigh indicated the delegate representing Hagerstown has stated if the Council needs to talk with him, he would meet with the Mayor and Council, not the entire delegation.

A ten minute recess was taken.

#### Budget Discussion – Additional Public Safety Positions

Staff was present to begin discussion with the Mayor and Council regarding the additional public safety positions proposed in the 2007/08 approved budget. No decision is expected regarding the staffing this month, but staff feels they should begin the discussion to determine what additional information might be needed. Staff also wanted to review the current financial situation and the expected impact of the State's recent special session and provide recommendations at this time.

There continues to be significant uncertainties surrounding the General Fund's finances for this year and future years ranging from decreased development activity and its impact on revenues, ever changing fuel costs, the impact of the State on local

government budget and the uncertainty of the level of assessment increase over the next three years as a result of the City's triennial reassessment during this period of declining real estate market values.

Mr. Zimmerman stated they are not asking to revisit the issue of needing more safety personnel. Staff is not proposing an increase in the property tax rate. A budget is being prepared with no tax rate increase. Staff is present to advise the Mayor and City Council on the fiscal condition of the City and to recommend that a decision on hiring the additional public safety positions be deferred until April until some of the uncertainties can be better defined.

The following is a list of some of the things causing uncertainty:

1. The residential development market has declined dramatically.
2. The State's recent special session has also yielded mixed results for municipalities.
3. Real estate tax revenue is less than expected.
4. Fuel costs have surged 33 % to 50 % over where they were when the budget was prepared.
5. Overall, except for fuel costs and the Fire Department, expenditures are in line with the budget. The Fire Department is significantly overspending its overtime budget.
6. The year ended with a \$ 694,202 surplus due to a surge in development activity and related revenues and careful monitoring and control of expenditures.

Staff is committed to maintaining the strength of the City's finances, the flexibility needed to adapt to the budget uncertainties and to living within available resources. The Mayor and Council have made a commitment to fund additional public safety resources and staff understands that it is an important goal. Staff is planning to start the preparation of a budget for 2008/09 without any property tax rate increases. However, given the current economic conditions, staff is concerned that the addition of the proposed additional public safety staffing can not be made without impacting other General Fund expenditure levels or requiring additional revenues. A decision to hire the additional public safety staff will have an annual cost of \$ 59,336 per fire fighter and \$ 61,603 per police officer per year.

Staff would therefore recommend that a decision on hiring the additional public safety positions be deferred until April when some of these uncertainties can be better defined. If the Mayor and Council decide to move forward with hiring the additional public safety positions at this time, they need to understand that there may no longer be adequate revenues in the current year or future years to support these additional positions. Staff also recommended that the Fire Department be charged with bringing their current 2007/08 budget in line with the planned expenditure budget and the available revenues for the current year and that the Police Department continues to stay within its budget.

Chief Gary Hawbaker, Hagerstown Fire Department, reported a presentation was made to the Mayor and Council using 2005 statistics, highlighting the following areas as major reasons why additional manning is critical to the department:

1. Decrease in Volunteers
2. Growth
3. Incidents
4. Total Staffing
5. Minimum Staffing

The overtime cost has been a major concern for the department. The firefighters have experienced some unfortunate injuries and health problems. The minimum manning is currently at 14 firefighters. No overtime is paid until more than that number is off on a shift day. There are currently 20 firefighters per shift and in order to comply with the Fair Labor Standard Act, three are off on Kelly Days every shift. Three other firefighters are then allowed to be off on vacation and holiday time, which they request up to 14 months in advance. When people are sick or injured it will usually create overtime.

There had been concern that more firefighters would mean more overtime so fire management and labor have agreed to manning that will address that concern. If the nine firefighters are approved, it is agreed to only raise the minimum manning to 15 per shift and not increase the number of firefighters that can be off on holiday and vacation leave. This would reduce overtime dramatically because it would give a 2-person cushion per shift for those unexpected injuries and sickness. On most days, it is believed this would still allow the department to reach 16.

Chief Arthur Smith, Hagerstown Police Department, stated the two police officer positions in the budget for the current fiscal year are intended to accomplish two purposes. First, HPD lost four police officer positions in 2003 in exchange for a salary increase sufficient to stem what was becoming a trend toward resignations to go to higher paying departments. Two of those positions were restored in the previous fiscal year.

Second, several years ago, HPD was asked to provide estimates of what increased service costs would be required to enable HPD to maintain services to the City of Hagerstown as the current annexation policy results in a gradual increase in service area, population and tax base. The response at the time was that it would be necessary to add one patrol sector at some point in the future. HPD proposes to grow from the current six patrol sectors to seven. This will require six additional police officers to staff a patrol post 24/7. This sector is proposed so that new residents living in the outlying portions of the city will receive adequate patrol coverage. HPD has adjusted to the annexations which have been completed in the past seven years by continually increasing the size of the six beats. The proposal is an increase of less than 6% in HPD's sworn staff as the City grows by a larger percentage.

Councilmember Brubaker thinks more up to date information will be available in January and it is important to have current information. He indicated there may be additional items that should be deferred.

Councilmember Metzner stated the additional firefighters need to be hired. He has been hearing for 14 years that the City can't afford more firefighters. His guidance to staff is to hire nine additional firefighters. The firefighters have to be hired before money is spent at the Route 40/Edgewood Drive intersection. The annexation policy has increased the size of the City and services have to be increased. The number of firefighters has not been increased in many years. There will be a major responsibility with the new hospital. He is supportive of the fire department.

Councilmember Nigh knows how important both the fire and police departments are. More public safety personnel is needed as land is annexed. She hopes the annexations eventually give the City the ability to not raise taxes.

Chief Hawbaker stated more people are needed because the area of service is continually increasing. However, more people were needed before the annexation policy became effective. The annexation policy has covered some expenses but it has also increased the service area. Chief Hawbaker presented information regarding the overtime for the fire department. The Fire Department had 1,788 hours of workers compensation during FY 06/07. The City receives 66 2/3% of the employee's weekly salary when they are on worker's compensation from Injured Worker's Insurance Fund (IWIF). This is not placed back into the individual department's budget, which would lower payroll costs. When employees are off due to a workers compensation injury and others are off work on long term leave, overtime is needed to cover the minimum standard of 15 firefighters per shift. He would like to be able to control overtime but the only way to do that is to close fire stations or not repair apparatus.

Councilmember Nigh is concerned there will be a fire and there won't be enough firefighters to respond. She is also concerned that the payment from IWIF is not placed in the department budget. She stated the number of calls for police officers is increasing also.

Councilmember Cromer doesn't think staff is asking the Council whether or not to hire nine firefighters and two police officers. They are asking the Council to delay the hiring until April, 2008, when more fiscal information is available. She thinks it would be fiscally responsible to follow the advice of staff. She will not support hiring the additional personnel if it is necessary to raise taxes.

Councilmember Brubaker stated there are a number of issues raised that need to be discussed. He will review numbers and thoughts instead of allegations.

Mr. Zimmerman indicated information regarding the tri-annual assessment and the annual financial report will be available in January.

Councilmember Metzner wants to make sure, by February 1, 2008, the agenda includes a vote on hiring the firefighters. The FY 07/08 Budget was passed with the understanding it would be discussed prior to February 1, 2008. The additional firefighters were included in the budget but were not to be approved without further discussion. He asked that this be included on the agenda for the December 18, 2007 meeting.

Mr. Martin indicated the budget is being overspent in other areas and staff needs to review the numbers to determine if funding is still available.

Councilmember Metzner will not support delaying a vote to hire additional firefighters.

Mayor Bruchey asked why the overtime historically decreases in the winter. Chief Hawbaker indicated fewer vacation days are used.

There will be three vacant positions in the fire department by January, 2008. Two of the positions have been vacant since July, 2007. Chief Hawbaker had agreed to not fill these positions until the February hiring.

Councilmember Brubaker asked if the overtime could be reduced. Chief Hawbaker indicated it could be reduced significantly with nine additional firefighters.

Councilmember Metzner asked for a copy of the video from the May 22, 2007 meeting in order to review what statements were made with passing the budget. Councilmember Cromer indicated the agreements were made prior to the meeting. Councilmember Metzner stated he needs to review the video.

It was the general consensus to include hiring nine additional firefighters on the agenda for December 18, 2007.

#### Edgemont Reservoir Hunting Policy

This discussion was postponed until January, 2008.

A ten minute recess was taken.

#### Haven Road 2 Annexation

Stuart Bass, Comprehensive Planner, stated when the Haven Road property was annexed, a small enclave was inadvertently created. Specifically, the enclaved area is approximately .10 acres in size (4,000 sq. ft.). The area in question is the back yard of a current city resident and amounts to a swimming pool and about one half of the garage.

However small, any size enclave is not allowed, per Article 23A, Section 19 (a) (2) of the Annotated Code of Maryland. The affected property owner was unwilling to consent

to annex their enclaved backyard. Therefore, we will need to reduce the area of the new annexation and provide a revised annexation plat to eliminate the enclaved piece of property. On the advice of legal counsel, the City must enact an annexation resolution correcting this problem with the same language, formality, and procedures as the original annexation.

However, staff is viewing the process as strictly administrative, and the original annexation resolution will be referenced and made part of the “corrective” version. The approved concept plan and associated agreements regarding sewer will remain in force.

It was the general consensus of the Mayor and Council to include introduction of the resolution of annexation on the agenda for December 18, 2007 and proceed accordingly.

#### Review of Draft 2007 Comprehensive Plan – Economic Development, Downtown and Land Use

Discussion of the Comprehensive Plan was postponed until January 8, 2008.

#### City Administrator’s Comments

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

#### Mayor and Council Comments

*Councilmember M. E. Brubaker* had no additional comments.

*Councilmember K. S. Cromer* asked for an update on the progress of rehabilitation of the Delta Hosiery Building and the Shockey building. This will be provided in January, 2008.

*Councilmember P. M. Nigh* asked what organization is responsible for the construction on Potomac Avenue, across from the Longmeadow Shopping Center. Mr. Zimmerman stated the developer is and the State Highway Administration approved the design of the traffic pattern. Councilmember Nigh stated traffic lanes are very confusing in the area. She asked if there will be a water tower in the east end when the hospital is built. Studies are being completed to determine if there is a need for another tower. She is concerned about the roof condition at the entrance building at Fairgrounds Park. She mentioned that Carolyn Brooks has been appointed to the Governor’s Committee to prevent family violence. The final performance by the St. Patrick’s Chorale was presented on December 9, 2007. The concert was wonderful. She asked for information about the land trust at Bester Place.

*Councilmember A. Parson-McBean* reminded everyone the Utility Relief Benefit Concert is Thursday, December 20, 2007. More than \$ 13,000 has been raised so far. She thanked the community for supporting this endeavor.

*Councilmember L. C. Metzner* commended the Mayor for how he chaired this difficult meeting.

*Mayor R. E. Bruchey, II* will be judging a Christmas decorating contest on Monday, December 17, 2007. He stated comparing the intersection at Edgewood Drive and the Dual Highway to hiring additional firefighters is not a fair comparison. Hiring the additional firefighters will burden this administration's budget. Further discussion will be held at next week's meeting. He thanked everyone in public safety who risk their lives everyday to keep him safe.

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 7:32 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: January 29, 2008