

WORK SESSION – April 19, 2016

Mayor D. S. Gysberts called this Work Session of the Mayor and Council to order at 5:38 p.m., Tuesday, April 19, 2016, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, L. C. Metzner, D. F. Munson, and P. M. Nigh, City Administrator Valerie Means, and City Clerk D. K. Spickler. Councilmember M. E. Brubaker was not present.

FY 2016/17 Budget Review

Valerie Means, City Administrator, Michelle Hepburn, Director of Finance, and Rana Rose, Accounting Manager, continued review of the FY 2016/17 budget.

Ms. Hepburn stated if all the projects in the CIP budget were included in future years, the City would issue bonds in 2017, 2018, 2019, and 2020. State regulations do not limit the amount of bonds the City can issue, but the City's Debt Management policy limits the amount to 10% of the assessed value of real property. Annual debt payments are limited to 10% of the assessed value.

Other General Fund highlights include:

1. 3% increase in property tax revenue
2. Includes funding for the police position at the Washington County Free Library
3. Expenditures show a 1.1% growth from FY 2015/16
4. 0.8% increase in Total Wages and Benefits reflects addition of staff already approved by the Mayor and Council during FY16
5. Capital Outlay – Non CIP is projected to increase as a result of the purchase of body worn cameras
6. Transfers to CIP Fund are projects to increase 35.7% and reflects the City's use of general Fund money to support capital purchases rather than use General Fund Balance Reserves.
7. Decrease of \$ 135,000 in Fund Balance Transfer to CIP Fund results from not utilizing fund balance reserves to fund proposed FY17 capital projects

The proposed budget for FY17 does not include a change to the tax rate for real property and is the third year of the City's triennial reassessment period. The February 2016 Constant Yield Tax Rate Certification memo reflects a slight increase in assessed values of 0.34% for FY17. The real property constant yield rate, set by the State for FY17 which would generate the same dollar amount of gross real tax revenues, (before local property tax credits) is \$0.9099 per \$100 of assessed value which is \$0.0031 less than the City's current FY16 tax rate.

Staff suggests discussing a red light camera program during a work session after the budget is passed. Acting Police Chief Kifer can provide an update of information received.

Rana Rose, Accounting Manager, discussed agency contributions.

Contributions to Other Agencies accounts for the contributions the City makes to several organizations. A formal policy was originally adopted on November 25, 2014, with a revision on October 20, 2015, to better define the criteria and the overall funding limits. Several organizations were identified as core agencies. The Mayor and Council established a funding level of \$ 195,000 to be allocated to eight recipients. The policy establishes a \$ 10,000 contingency for General Fund Agency Contributions, making the total funding level \$ 205,000. This contingency has been utilized for the emergency repair of the boiler in City Hall. Staff will notify agencies per the guidelines established in the policy.

Councilmember Metzner clarified that the combined County and City tax rate for City taxpayers is lower than it was 10 years ago. Ms. Hepburn confirmed this. Councilmember Metzner pointed out the City of Hagerstown did not increase the tax rate to compensate for the loss of revenue when the County changed the process for disbursing double taxation adjustments in FY 2010/11.

Councilmember Aleshire asked that three revenue areas be explored. They are:

1. Prioritizing Stormwater Management at Hamilton Run: He hopes there is a way to work with the State for funding to help defray the costs of the Stormwater Management regulations. If the City does not receive the assistance, other jurisdictions will.
2. Personal Property Taxes: Review how income information is reported to the State for establishing an assessable base for commercial accounts. Businesses are required to file income reports. Utilities are taxed differently than businesses and he is concerned that reporting may not be accurate. He suggested considering a different tax rate for utilities.
3. State Retirement Plan: Possible savings on the interest rate for the City's contribution to the State Retirement Plan.

There were no other questions at this time.

There being no further business to come before the Mayor and City Council, on a motion duly made, seconded and passed, the Work Session was adjourned at 6:10 p.m.

### **88<sup>TH</sup> REGULAR SESSION – April 19, 2016**

**Mayor D. S. Gysberts called this 88<sup>th</sup> Session of the Mayor and City Council to order at 7:04 p.m., Tuesday, April 19, 2016, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, L. C. Metzner, D. F. Munson, and P. M. Nigh; City Administrator Valerie Means, City Attorney Mark Boyer, and Donna K. Spickler, City Clerk. Councilmember M. E. Brubaker was not present.**

The invocation was offered by Councilmember D. F. Munson. The Pledge of Allegiance was then recited.

Mayor Gysberts announced the Rules of Procedure for this meeting will be followed as adopted September 24, 2013. It was announced that the use of cell phones during meetings is restricted and that all correspondence for distribution to elected officials should be provided to the City Clerk and should include a copy for the City Clerk for inclusion in the official record.

The next scheduled meetings are: Work Sessions at 4:00 p.m. on Tuesday, May 3, 2016, Tuesday, May 10, 2016, (followed by the Tax Rate and Budget Public Hearings at 7:00 p.m.), and Tuesday, May 17, 2016, and the Regular Session at 7:00 p.m. on Tuesday, May 24, 2016. No meeting is scheduled for Tuesday, May 31, 2016.

### **APPOINTMENTS**

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to appoint W. Kyd Dieterich to the Board of Code Appeals. The term of the appointment will expire on May 1, 2020.

### **CITIZEN COMMENTS**

Jack Myers, 1120 Luther Drive, Hagerstown, Maryland, has participated in the Senior Idol contest that was sponsored by the Commission on Aging. The Commission on Aging is not sponsoring this event any longer and he is looking for new sponsors. He anticipates the cost may be less than \$ 500 per year. Assistance will be needed to help sell tickets if the event is held again.

Joan Schupp, President of the Women's Club, 31 S. Prospect Street, Hagerstown, Maryland, discussed parking costs at their location. She stated the group provides housing for 14 women of limited means at the Club building. They have requested the use of 25 metered spaces free of charge for events and activities. In the past, there was no charge for their use of the spaces. Parking staff offered the Club use of spaces for \$ 720.00/annually. Ms. Schupp stated the Women's Club cannot afford to pay \$ 720.00. They are requesting use of the metered spaces as needed, without being ticketed, and paying \$ 20.00 per month for this privilege. She stated the Women's Club is an asset to the City, providing both short and long term housing for women of limited means since 1924. They provide rental space for cultural events like the Potomac Playmakers' performances.

Mayor Gysberts indicated the Women's Club sent an email to Mayor and City Council members stating the same. At that time, the Council did not express an interest in discussing this at a work session, stating they thought the City's offer was a fair price.

Councilmember Aleshire, Councilmember Metzner, and Councilmember Munson then stated they would now support discussing the request at a Work Session.

Brooke Harper, 18336 Buckeye Circle, Hagerstown, Maryland, is a member of the Mason Dixon Roller Vixens. She invited the Mayor and City Council members to attend their match on April 24, 2016.

### **CITY ADMINISTRATOR COMMENTS**

*Valerie Means, City Administrator*, had no additional comments.

### **MAYOR AND COUNCIL COMMENTS**

*Councilmember K. B. Aleshire* discussed comments made following a recent newspaper article regarding a binding arbitration question being on the General Election ballot in November. He has stated he is not required to vote on the legislative component of binding arbitration. Approval of binding arbitration will remove part of the process he was elected to perform. The most critical component is the budget. He stated the signatures were obtained through dishonest scripts. If he supports binding arbitration, he will not be carrying out the wishes of the citizens. He is obligated to view and make responsible decisions during the budget process. He hopes citizens understand the potential impact of placing binding arbitration in the City charter.

He and his family attended the last mile event of the Hub City 100 miler last week. It is clear staff has recognized the benefits of a healthy lifestyle for residents and made it a priority.

He noted a news story indicated men were from Hagerstown that committed a robbery. The men were actually from Cearfoss and other communities.

He asked for information on how utility costs are handled with the various user groups for parks facilities.

*Councilmember L. C. Metzner* thanked Mr. Myers, who is a World War II veteran, for his service. Councilmember Metzner attended the Earth Day recognition earlier today.

*Councilmember D. F. Munson* had no additional comments.

*Councilmember P. M. Nigh* noted that residents are painting and cleaning up around their homes. She hopes the trash regulations recently adopted improve the appearance of properties as well. She announced applications for veteran's banners are available at the front desk at City Hall.

*Mayor D. S. Gysberts* thanked staff for their efforts in making the Hub City 100 miler successful. This challenge continues to grow. He had the privilege and honor of

attending the Barbara Ingram School for the Arts production of The Little Mermaid on opening night last weekend. It was an excellent production.

Councilmember Metzner thanked the firefighters, who suppressed another fire. Hopefully the new equipment will be delivered soon.

Councilmember Nigh expressed sympathy to the families of retired firefighter Richard Jordan and retired volunteer firefighter Ed Bryan.

### **MINUTES**

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to approve the minutes, as presented, for the Mayor and Council meetings held on March 1, 2016, March 8, 2016, March 15, 2016, and March 22, 2016.

### **CONSENT AGENDA**

On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember L. C. Metzner, the Consent Agenda was approved as follows:

- A. Community and Economic Development:
  - 1. Approval of Street Closures: Hagerstown Rescue Mission 5k – April 23, 2016, Summer Slide Festival – September 10, 2016, MSO Classics and Crabs – September 17, 2016

### **UNFINISHED BUSINESS**

There was no unfinished business.

### **NEW BUSINESS**

#### **A. Introduction of a Resolution: Annexation of Stormwater Parcel, LLC, 250 Eastern Boulevard North**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to introduce an Annexation Resolution for property located at 250 Eastern Boulevard North. The property to be annexed is approximately 1.03 acres in size and is intended to be added to and made part of the adjacent municipal lands.

**B. Approval of Annexation Plan – Stormwater Parcel, LLC, 250 Eastern Boulevard North**

**Action:** On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve an annexation plan for 250 Eastern Boulevard North, Case Number A-2016-01.

**C. Approval of an Agreement with Brookgreen Gardens, Inc. for Use of “Diana of the Chase” Image**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to authorize the City to enter into an Agreement with Brookgreen Gardens, Inc. in Murrills Inlet, South Carolina that allows the City of Hagerstown to use the image of “Diana of the Chase” which was originally created by Dianna Hyatt Huntington in 1922, as the logo for the new cultural trail. It was agreed to further authorize the City Attorney to negotiate any final minor changes requested by Brookgreen so that this matter can be concluded as quickly as possible.

**D. Approval of License Agreement with Raymond Higgins for Use of Third Street Right-of-Way**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember P. M. Nigh, the Mayor and City Council unanimously agreed by voice vote of all members present to approve a license agreement with Raymond Higgins to construct a driveway in the unimproved right-of-way of Third Street. The purpose of this license is to allow Mr. Higgins to construct a driveway to access the parcel on the north side of the right-of-way.

**E. Acceptance of a Grant with Chesapeake Bay Trust/Maryland Department of the Environment**

**Action:** On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to accept the award of a \$ 90,000 grant from Chesapeake Bay Trust/Maryland Department of the Environment for a watershed assessment of Hamilton Run which will identify additional stormwater projects to advance the City toward the runoff improvement goals. The City’s match is \$ 15,000 as provided for in the FY 15/16 budget.

**F. Approval of Contract Purchase Order Amendment 2 for Allan A. Myers, LP  
\$ 154,306.00**

**Action:** On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote of all members present to approve the final project close-out Change Order #2, per the Maryland Department of the Environment and city purchasing requirements, in the amount of \$ 154,306. The funding source will be the contingent MDE loan funds and/or Water Fund Capital Improvement funds previously approved by Mayor and City Council.

**G. Approval of an Exemption from City Code Chapter 155, Noise – Fireworks  
Exemption for North Hagerstown High School – May 23, 2016**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to approve an exemption from the City Code, Chapter 155, Noise. This exemption is being granted in accordance with Section 155-5, M. to the North Hagerstown High School Athletic Boosters for a fireworks display on Monday, May 23, 2016.

**H. Approval of Rain Insurance Policy for 2016 Western Maryland Blues Fest -  
\$ 9,991.00**

**Action:** On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote of all members present to purchase rain insurance policies for the 2016 Western Maryland Blues Fest at the following maximum amounts: a \$ 20,000 policy for Friday, June 3 from 4 p.m. to 9 p.m. and a \$ 60,000 policy for Saturday, June 4 from 10 a.m. to 6 p.m. The total cost for the insurance will be \$ 9,991.00. Funding would be from the Blues Fest Budget in the Public Functions Account. Five percent of the rain insurance proceeds would go to The Maryland Theatre for their risk of the beer and wine sales.

**I. Approval of Tourist Area and Corridor Signage Program**

**Action:** On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember P. M. Nigh, the Mayor and City Council unanimously agreed by voice vote of all members present to authorize participation in the State Highway Administration (SHA) program to expand their “tourist attraction” signage into the City of Hagerstown and authorize the Mayor to issue a letter to SHA requesting the implementation of the plan.

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 7:39 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: May 24, 2016