

1ST SPECIAL SESSION, WORK SESSION AND EXECUTIVE SESSION –
December 13, 2016

EXECUTIVE SESSION – December 13, 2016

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 meet in closed session to consult with counsel to obtain legal advice, #7, (Section 3-305(b)), and to conduct collective bargaining negotiations or consider matters that relate to the negotiations, #9, (Section 3-305(b)), on Tuesday, December 13, 2016 at 3:01 p.m. in Room 407, 4th floor, City Hall, Hagerstown, Maryland.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember P. D. Corderman, Councilmember E. Keller, Councilmember L. C. Metzner, Councilmember D. F. Munson, City Administrator Valerie Means, Attorney Tom Lynch, Attorney Paul Rose, Karen Paulson, Director of Human Resources, and D. K. Spickler, City Clerk. Councilmember K. B. Aleshire was not in attendance.

The meeting was held to discuss terms of two agreements and to provide an update for the new administration of collective bargaining negotiation preparation to date. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the Executive Session was adjourned at 4:03 p.m.

1ST SPECIAL SESSION AND WORK SESSION – December 13, 2016

Mayor R. E. Bruchey, II called this 1st Special Session, Work Session and Executive Session of the Mayor and City Council to order at 4:13 p.m., Tuesday, December 13, 2016, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, P. D. Corderman, E. Keller, L. C. Metzner, and D. F. Munson, City Administrator Valerie Means, and City Clerk D. K. Spickler.

1ST SPECIAL SESSION – December 13, 2016

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 meet in Special Session at 4:13 p.m.

Introduction of an Ordinance: 2015A and 2015B Bond Reprogramming

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 to introduce an ordinance amending and supplementing Ordinance No. O-15-01, originally passed on 02/10/2015, approved on 02/10/2015 and effective on 03/13/2015, which,

together with a companion resolution, served as authority for the issuance and sale of the \$ 8,020,000 City of Hagerstown Public Facilities Bonds, Series 2015A (Tax-Exempt) and the \$ 1,850,000 City of Hagerstown Public Facilities Bonds, Series 2015B (Taxable (the “2015 Bonds”).

With respect to certain of the original projects intended to be funded from 2015 Bonds proceeds, the City has achieved cost savings, cannot spend 2015 Bonds proceeds quickly enough to satisfy certain federal tax code requirements, or has determined not to fund such original projects either in the amount originally allocated to such projects or from 2015 Bonds proceeds at all. The purpose of this ordinance is to amend and supplement Ordinance No. O-15-01 to reallocate a portion of the 2015 Bonds proceeds to finance or reimburse costs of additional public purpose projects of the City as identified in the attached or to increase the amount of 2015 Bonds proceeds originally allocated to certain original projects.

Staff is hereby directed to work with bond counsel to take all necessary actions to proceed with and develop any resolutions and other documents necessary for the reprogramming of the 2015 Bonds proceeds.

The Special Session was closed at 4:14 p.m.

FY16 Comprehensive Annual Financial Report (CAFR)

Rana Rose, Accounting Manager, and Chris Lehman, SB Company, LLC, presented the City’s Comprehensive Annual Financial Report (CAFR) for FY16. Copies of the FY16 CAFR were distributed in November. The report also can be found on the City’s website.

Ms. Rose reported the audit was completed by the October 31, 2016 deadline. The audit was performed by the independent auditing firm SB & Company, LLC (SBC).

Mr. Lehman reported SB & Company’s Scope of Services included an audit of the June 30, 2016 financial statements, performance of the Uniform Guidance Single Audit, review of the Uniform Financial Report, and review of the Data Collection form. Based on the review of the financial statements, they issued the following Summary Results:

1. Issued an unmodified opinion on the financial statements
2. Discovered no instances of fraud
3. Discovered no material weakness in internal controls
4. Received full cooperation from management
5. The net position for 2016 is \$ 219,605,573, showing a change of \$ 5,837,166 from the prior year
6. No audit journal entries noted

Changes in OPEB Accounting were discussed. GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans other than Pension Plans, is required to be implemented for fiscal year 2017. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions, are required to be implemented for fiscal year 2018. This can be early implemented. The accounting and disclosures are similar to the pension standards (GASB 67 and 68). Net OPEB liability is recorded on the Entity-wide Statement of Net position. As of June 30, 2016, the City had an unfunded actuarial accrued liability of approximately \$ 25.0 million (with a funded ratio of 20.82%).

SBC determined the accounting policies adopted by the City are acceptable accounting policies. There were no passed adjustments identified during the audit process. Their procedures identified no instances of fraud or illegal acts. There were no material weaknesses noted during the audit.

Main Street Hagerstown Program

Jill Frick, Director of Community and Economic Development, and Amanda Whitmore, Downtown Coordinator, were present to provide an overview of the Main Street Hagerstown program and to introduce the volunteer work group chairs. Monika Wertman, Melanie Anderson, Aaron Peteranecz, Taylor Bowen, Rob Galimoto, Joanne Ballengee, and Sean Griffith, Chairs of the Workgroups, were also present.

The Main Street Hagerstown effort continues to gain momentum. Each workgroup has been meeting regularly once per month at various locations throughout the downtown. Additionally, the Main Street work group co-chairs meet for monthly leadership meetings.

Currently there are just over 80 volunteers across the five workgroups, with over 25 of those volunteers being very active. In FY16, these volunteers contributed 614 hours toward improving the downtown and have already donated over 400 hours in the first five months of FY17. Main Street Hagerstown is well on its way to giving 1,000 hours of volunteer time to improving the downtown by the June 30, 2017 fiscal year end.

Each work group provided an update of their activities as follows:

1. Design Workgroup - Aaron Peteranecz is the Chairperson for this group. The Design Workgroup is working long-range on a set of design guidelines for continuity in Main Street Hagerstown. Aspects like continuity of storefront signage, sidewalk displays, and approved paint schemes are things they are looking to develop into a guidebook for the Main Street area. Window scrims were designed by the group and installed on several vacant storefront windows. Additional scrims are planned. The group organized a "Smartphone Photo Tour" of the downtown in order to call attention to the existing architecture of the downtown. Signage is being installed on 53 N. Potomac Street to help brand the

downtown as a Main Street community. This group focuses on grass roots efforts to improve Hagerstown.

2. Organization Workgroup – Monika Wertman, Chairperson, reported this group is creating a brand new website to complement the City's and to help visitors, residents and business owners quickly find information. They are also producing an e-newsletter distributed to over 600 subscribers and establishing and building social media presence on Facebook, Twitter, and Instagram.
3. Clean, Safe and Green (CS&G) – Joanne Ballengee and Sean Griffith are the Co-Chairs of the CS&G. CS & G worked with City Engineering staff to bring combined recycling/trash containers to the Main Street area. This workgroup worked with City Code staff to find ways for residents to more easily store their recycling and trash containers out of sight when it is not time to set them out for pickup. They organized a street cleanup and fall planting day along East Franklin Street. The group hosted a Crime Prevention Through Environmental Design workshop and is looking to pursue seating and updated lighting in the Public Square area.
4. Business Relations Workgroup – Taylor Bowen and Rob Galioto are the Co-Chairs of the group. This group established an ambassadorial committee to welcome new businesses to the Main Street Area when they first open. These members attend ribbon cuttings and then follow up in conjunction with Economic Development staff with the new businesses to make sure they are getting the support they need and connecting them to that support and resources. The database of businesses for the Main Street area has been refreshed. Focus groups were established and meetings were held with downtown businesses to identify concerns and good things of being downtown business owners. Work is continuing to improve these areas. A code enforcement working group with City and private members was created. The group is working with City staff to brand and promote the 1GB internet fiber opportunity in the downtown as a business recruitment marketing strategy.
5. Promotions Workgroup – Melanie Anderson, Chairperson, stated the Promotions Workgroup designed the Main Street Hagerstown Logo, brochure and business cards. They have developed a marketing strategy that will be used in promoting the work Main Street is doing as well as bring more people and businesses to the downtown. This group established a new Main Street event, Second Saturday. These themed monthly events are aimed at highlighting the existing businesses in Main Street while also partnering with existing downtown events. Interest in these events has grown from 32 people in September to over 130 people for December's event. The event series is supported by a \$ 10,000 grant from the Maryland Department of Housing and Community Development.

Councilmember Keller thanked the members of the Main Street Hagerstown workgroups for their efforts. She stated programs of this type are needed for Hagerstown.

Councilmember Munson agreed.

Councilmember Corderman noted that other Main Street groups are non-profit entities. Main Street Hagerstown, which is still in the beginning stages, relies on a partnership with the City of Hagerstown. He wondered if that partnership is hindering fundraising efforts since Main Street Hagerstown is not yet an independent, non-profit organization. He asked what the City could do help Main Street Hagerstown take the next steps forward.

Ms. Whitmore stated that question would be something to explore in the future, as Main Street Hagerstown becomes more established.

Mayor Bruchey asked what stakeholders are concerned about. Mr. Galioto reported people do not realize what is involved with rehabilitating older buildings. Main Street Hagerstown has applied for a grant to allow investors to meet with architects to assess the costs of rehabilitating a building.

Mayor Bruchey asked if the CS&G group had any suggestions for making the trash/recycling program better. Ms. Ballengee stated the group worked closely with Code Enforcement staff to discuss ideas; however, no specific method has been identified. The group is also trying to get people to take pride in their properties.

Mr. Peteranecz noted City staff works with Main Street Hagerstown with coordinating events. He thanked the City for their support.

Preliminary Agenda Review

Rules of Procedure

The Rules of Procedure state that meetings will follow the guidelines of the 11th Edition of Roberts Rules of Order. It was noted this edition of Roberts Rules of Order addresses the use of electronic communication.

Consent Agenda

A. Fire:

1. Emergency Repairs to Ladder Truck 11 – Red Storm (Gainesville, VA)
\$ 21,999.03

B. Public Works:

1. Change Order to Install Additional Roofing at Elizabeth Hager Center – USA Construction Services, Inc. (Beltsville, MD) \$ 131,533.00
2. Purchase of Ford F550 Dump Truck with Salt Spreader and Snow Plow – Keystone Ford (Chambersburg, PA) \$ 88,403.00

There were no questions about any item on the Consent Agenda.

Introduction of an Ordinance: Quit Claim of Portion of Alley 4-48

Jim Bender, Assistant City Engineer, stated staff received a request from Lloyd Thoburn (dba 339 Antietam, LLC, for the City to quit claim a portion of Alley #4-48 that separates two parcels that he owns near 367 East Franklin Street. Mr. Thoburn intends to rehabilitate the large existing warehouse building that fronts on Franklin Street and to construct a large parking lot on the vacant parcel that has frontage on Washington Street. If the alley right-of-way would remain in place, Mr. Thoburn would be required to comply with setback requirements from the alley, which would limit the development potential of the property. The proposed quit-claiming of this portion of the alley right-of-way would not adversely impact any other property owners. The parcel at 354 E. Washington Street will still adjoin the remaining Alley #4-48 right-of-way, and could use that right-of-way to access to E. Franklin Street.

It was the general consensus to include introduction of the required ordinance on the December 20, 2016 agenda.

Approval of a Resolution: Rental Contract Renewal with NIST – Elizabeth Hager Center

Staff request Mayor and City Council approval to renew a rental contract agreement with the National Institute of Standards and Technology (NIST) for use of space in the Elizabeth Hager Center. The term of the rental contract is for one year with renewal options for up to four additional years.

For several years, NIST has been utilizing space in the Elizabeth Hager Center to serve as a continuity of operations site (commonly referred to as a COOP). The new rental contract allows for NIST staff to conduct emergency drills in the Elizabeth Hager Center up to four times per year. NIST staff may also use the Elizabeth Hager Center if an actual emergency would prevent use of NIST offices in Gaithersburg, MD.

Key terms and conditions of the proposed rental contract include:

1. Contract to be effective through December, 2017
2. Annual rent charge of \$ 13,848.00
3. One year renewal options that could extend the contract through December of 2021

4. Annual rent charge would increase in option year 3 and option year 4 to \$ 14,476.00

It was the general consensus to include approval of the renewal contract on the December 20, 2016 agenda.

Acceptance of Narcotics Task Force Vehicle to Hagerstown Police Department

For the past few years, the Hagerstown Police Department has been gradually building a “bait” program. Through the program, various “bait” items are deployed in locations experiencing high rates of thefts of various items or thefts from motor vehicles. One of the strategies used is to deploy “bait” vehicles. The Hagerstown Police Department has several vehicles used in this program; however, some of the vehicles are nearing the end of their service life.

The Washington County Narcotics Task Force routinely rotates vehicles nearing the end of their expected service life out of its fleet. Chief Victor V. Brito requested that a 2008 Nissan Altima be transferred to the City of Hagerstown to be used for this purpose.

This would be a donation from Washington County so there would be no cost to the City.

It was the general consensus to accept the donation of the vehicle as requested.

There were no additional comments or questions regarding the items on the Preliminary Agenda. All items are scheduled for approval on December 20, 2016, unless otherwise stated.

Program Open Space (POS) Annual Program

Rodney Tissue, City Engineer, presented staff’s recommendation for the Program Open Space funds for FY 2018 and beyond.

The FY 2018 draft request includes the following:

1. City Park Play Equipment – Total project cost \$ 100,000, with \$ 90,000 POS Funding
2. Park amenities for various parks – Total project cost \$ 40,000, with \$ 36,000 POS Funding
3. Lake Fountain – Total project cost \$ 15,000, with \$ 13,500 POS Funding

Councilmember Metzner noted the City does not receive an adequate per capita of the total POS funds. He thinks amenities for City Park is an appropriate use for POS funding.

Councilmember Aleshire asked when a tot lot with amenities would be included for downtown. One location could be the planned park behind the library. As family oriented events are planned for downtown, more amenities will be needed. Mr. Tissue stated a really nice place for a tot lot would be at the National Road Park on W. Washington Street. It would be just outside downtown but would be a nice location.

Mr. Tissue stated that he envisions holding community meetings regarding the use of the Massey property (the location mentioned by Councilmember Aleshire) like those held for the uses at the National Road Park.

The 2019 future list includes funds for developing a triangle park near Park Circle to support a downtown project for the Hagerstown Cultural Trail. Councilmember Munson is supportive of the future triangle park. Mayor Bruchey questioned the location of a park so close to City Park.

Councilmember Aleshire pointed out the goal for this property is not to create another park but to make the connection of the trail one fluid green space from the park to the trail. Having that connection would also enhance the business for the local restaurants during events at City Park.

It was the general consensus to approve the list for FY 2018 as presented. These projects will also be submitted to the State's Community Parks and Playgrounds grant program.

Dredging City Park Lower Lake

Rodney Tissue, City Engineer, provided a review of the project from the September 13, 2017 Work Session. City Park was created 100 years ago. There are three lakes in City Park but the most visible is the lower lake adjacent to the Museum of Fine Arts, Key Street, and Virginia Avenue. The original depth of the lake is estimated to be 5 to 7 feet deep. This lake has never been dredged, although the perimeter walls were rebuilt about 20 years ago.

In October, 2015, the Mayor and Council authorized a City contract with BayLand Consultants and Designers Inc. from Hanover, Maryland to begin the design and permitting of a project to dredge the lower lake. In January of this year, BayLand completed a survey of the lake bottom and developed a comparison of the accumulated sediment between January 2016 and the 1974 survey data. The accumulated sediment over that 42 year period is approximately 7000 cubic yards or an average of only 162 cubic yards per year. This sediment is from leaves, waterfowl and fish waste, and minor erosion of lake banks.

Mechanical dredging was selected because it was the most cost effective option with minimal impact to the community and natural resources. This means the sediment will be removed while the water remains in the lake. This method uses conventional

excavating equipment from a floating barge. There is no need for onsite dewatering. The material can be removed from the site immediately. There would be minimal on-site impact.

The project was put out for bid in October, 2016. Three bids were received, ranging in price from \$ 1,069,200 to \$ 1,289,379. Staff, along with the consultant, is recommending awarding the bid to Edwin A. & John O. Crandell, Inc. in the amount of \$ 1,053,871. The final price is a result of additional consideration for specific items in the bid submitted.

This firm is highly recommended by BayLand Consultants, and they have completed more than 100 lake dredging projects.

Councilmember Keller noted a local company submitted a bid and she suggested trying to keep the bid local. She wondered if the company could reduce their overall price. Mr. Tissue stated the City's procurement policy says the lowest responsible bidder is awarded the contract.

Councilmember Metzner pointed out a local preference clause in a procurement policy could potentially reduce the number of bidders interested in projects.

Mr. Tissue stated staff contracts with local contractors within the guidelines of the procurement policy.

Councilmember Aleshire stated he may not vote in favor of this contract. He has several concerns which include:

1. Impact to the water supply for the lake
2. Potential impact to the adjacent residences
3. Integrity of the lake walls
4. The continuity of the natural spring

Mr. Tissue noted the dredging will not occur up to the walls. The dredging will start 15 feet out from the walls. The water courses will not be altered since the project does not include digging through the bed of the lake.

The project is included in the City's budget, with funding being from a future bond issue.

Councilmember Metzner pointed out the work has to be done at some point in order to keep the lake pristine. It will be less costly now than waiting.

Councilmember Aleshire thinks the contingency should be more than 10%. There should be more communication with adjacent property owners.

Mr. Tissue indicated staff could schedule meetings with the adjacent property owners. Councilmember Aleshire suggested taking pictures of the foundations of the buildings so there is proof the work did not cause damage. Mr. Tissue pointed out the project does not involve excavating virgin earth, it is only to remove sediment.

Councilmember Munson noted City Park has been voted as one of the best in the country. The project needs to be completed.

Mayor Bruchey stated he is not opposed to the project; however, he wondered if costs could be lowered by reducing the amount of sediment removed. Mr. Tissue stated the first yard of sediment removed will cost \$ 333,000 because of the equipment set up. Every yard after that is \$ 40. To remove all the sediment would add \$ 700,000 to the cost.

Councilmember Aleshire asked for more information about the contingency amount.

Approval of the contract will be included on the December 20, 2016 agenda.

Proposed Conversion District Amendment

Alex Rohrbaugh, Planner, and Stephen Bockmiller, Development Review Planner/Zoning Administrator, reported a Public Hearing has been scheduled for December 20, 2016 for the proposed Conversion District overlay amendment of 901 Pope Avenue.

The purposes of the Conversion District are to stimulate the adaptive reuse of existing, nonresidential, multi-story structures, to maintain and increase the City's assessable base, to expand business and employment opportunities, and to protect residential neighborhoods from excessive traffic odors, fumes, noise, and light. The Conversion District provides an alternative development concept for underutilized structures while protecting the general health, safety, welfare, and aesthetics through the commitment to an approved development concept plan. Such structures must be in existence prior to October 1, 1956.

The property is located at 901 Pope Avenue. The property is approximately 2 acres in size and was built as an industrial use around 1890. The property was originally zoned Industrial Restricted (IR) in 1977 and still carries that underlying classification today.

In 1991, the property was approved for a Conversion District Overlay to allow office uses in the existing building with the intent of "providing a transition between the industrial district and residential district to the east".

In 1998, the Conversion District Overlay for this property was amended to convert existing office spaces into 12 residential units.

The owner and application, Jeffrey Crampton, has filed an application to amend the Conversion District and add to the list of approved uses for the property in order to make the property more flexible for re-use. An amendment to a Conversion District is processed as a rezoning. Uses below are listed as written in the Land Management Code; however, the text in capital letters in #2 was specially added for this application.

The proposed uses are as follows:

1. Tanning and Depilatory Salons
2. Retail and wholesale trade excluding auto and other motor vehicle dealers unless all vehicle storage is indoors and excluding adult businesses – up to 5,000 square feet in net floor area per business. This provision shall also include retail bakeries and retail confectioneries. Regulation of specific trade uses that are found elsewhere THE ZONING ORDINANCE shall prevail. **NO MORE THAN ONE SUCH USE SHALL BE PERMITTED IN THIS CONVERSION DISTRICT.** Note: This is recommended due to the limited amount of parking on-site.
3. Hair, nail, and skin care stores, ear piercing services, hair replacement services, permanent makeup salons, and dog grooming establishments.
4. Visual and Performing Arts Studios
5. Catering kitchens, for preparation of food for off-site delivery and associated office and storage use
6. Professional, scientific and technical services, except veterinary services
7. Fitness and Recreational Sports Centers
8. Artist Live-Work Space in large former commercial, industrial or institutional buildings
9. Personal and household goods repair and maintenance

The Planning Commission held a Public Review Meeting for this proposal on October 26, 2016. At its November 9, 2016 meeting, the Planning Commission recommended to the Mayor and City Council approval of the Conversion District overlay amendment, subject to the following site plan condition: Any trash dumpsters, existing or proposed, that are located along the Pope Avenue side of the building be provided with dumpster enclosures in accordance with the requirements of the Ordinance.

Councilmember Munson asked if a request has been made for approval of additional residences. Mr. Rohrbaugh stated there has not. Mr. Bockmiller noted one of the permitted uses is for artist live-work space.

At the December 20, 016 Regular Session, following the Public Hearing, staff recommends holding the record open for 10 days and introducing the ordinance for the rezoning amendment. This would expedite the rezoning process by one month while still allowing for public review and comment.

The Mayor and City Council agreed to follow the schedule presented.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator, had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmember Keller thanked Michael Spiker, Director of Utilities, for his help with a citizen complaint.

Councilmember K. B. Aleshire had no additional comments.

Councilmember P. D. Corderman stated Hagerstown has the perception of being unfriendly to businesses. He had conversations with four different organizations about doing business in the City. He hopes these perceptions can be alleviated by working together to be more welcoming.

Mayor Bruchey stated he and Ms. Means discussed this issue and customer service issues and ways to address both. Ms. Means stated if there are codes the Council is not comfortable with, they will have to make decisions about whether or not to change them.

Councilmember L. C. Metzner had no additional comments.

Councilmember D. F. Munson stated he is willing to look for solutions to the issue mentioned by Councilmember Corderman. He is not willing to abandon the neighborhoods in the process. Councilmember Corderman stated he is not talking about abandoning neighborhoods.

Councilmember Munson congratulated Officer Andrew Eichelberger for being named Officer of the Month. He appreciated the article recently in the Herald Mail that thanked people who have left elected positions after the recent election.

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

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 5:55 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: January 31, 2017