

WORK SESSION AND EXECUTIVE SESSION – NOVEMBER 15, 2011

Mayor R. E. Bruchey, II called this 57<sup>th</sup> Special Session, Work Session and Executive Session of the Mayor and City Council to order at 4:08 p.m., Tuesday, November 15, 2011, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers W. M. Breichner, M. E. Brubaker, F. W. Easton, A. C. Haywood, L. C. Metzner; City Administrator Bruce Zimmerman, City Attorney John Urner and City Clerk D. K. Spickler.

Preliminary Agenda Review

**Consent Agenda**

- A. Public Works: Bulk Road Salt – Cargill Incorporated (North Olmstead, OH)  
\$ 65.87 per ton
- B. Department of Utilities:
  - 1. Water Division: Water Meter Transceiver Units – L/B Water Service, Inc. (Chambersburg, PA) \$ 32,912.00

**Introduction of an Ordinance: Non-Exclusive Right-of-Way Agreement with LUMOS of West Virginia, Inc.**

Michael Spiker, Director of Utilities, and John Lestitian, Director of the Department of Community and Economic Development, stated Hagerstown Light Department (HLD) Staff met with representatives of NTELOS (now known as LUMOS) to discuss a request for a Pole Attachment Agreement with the HLD and a Franchise Agreement with the City of Hagerstown. Preliminary engineering for the project detailed the use of existing Verizon conduit on Antietam Street and attachment to an HLD pole for service to the building occupied by the Community Action Council.

In the past 18 months, City Staff has met with numerous iterations of NTELOS Staff. City staff has consisted of employees within the IT, DCED, Engineering, and Utilities Departments with oversight and assistance provided by Bill Nairn. A Right of Way Agreement was presented to the Mayor and City Council for their review. Details of the agreement include:

- 1. Initial Term of Agreement is 5 years
- 2. LUMOS will be granted a non-exclusive right to place their facilities within Public Rights of Ways of the City of Hagerstown LUMOS shall pay the City \$5,000 as reimbursement of administrative/legal costs
- 3. As compensation for underground facilities, NTELOS will pay \$.25/linear foot per annum

This agreement grants a right of way to utilize City streets and alleys (basically underground). There are no LUMOS customers within in the City currently. LUMOS's

business plan includes expanding into Washington County. The service is strictly levels of data transmission. No television service is included.

If LUMOS decides to offer television service, they could negotiate a franchise agreement with the City.

Introduction of the ordinance approving the agreement with LUMOS will be included on the agenda for November 22, 2011.

**Approval of a Resolution: Approval of a Lease for N. Potomac Street Parking Deck with State Department of Education, Division of Rehabilitation Services (DORS) and Department of Juvenile Services (DJS)**

Eric Deike, Manager of Public Works, presented a lease with the State of Maryland to the Mayor and City Council for their review. The lease allows for parking for the Maryland State Department of Education, Division of Rehabilitation Services and the Department of Juvenile Services. Parking privileges would be in the North Potomac Street Deck for a period of two years.

The Maryland State Department of Education, Division of Rehabilitation Services (DORS) and the Department of Juvenile Services (DJS) both have local offices in the City center. Both agencies currently park in the North Potomac Street Deck and wish to come to this arrangement.

The City of Hagerstown does not require lease agreements for utilizing the parking decks. The State of Maryland insists that a lease be signed due to obligatory requirements to their Board of Public Works. The State has provided their standard lease agreement that includes parking for nine vehicles for DORS and two vehicles for DJS. The annual payment amount is \$ 6,606.00 or \$ 558.00 per month. The City's attorney has reviewed the proposed agreement.

It was the general consensus to approve the lease.

**Approval of Acquisition and Financing of Recycling Carts and Approval of Residential and Commercial "Recycling & Refuse Collection" Rate**

These two items will be moved to December for consideration. The incentive program will begin in April. New totes will be provided to residents for the new contract.

**Approval of the Utilities Department Bulk Chemical Purchases – Various Vendors \$ 915,743.60**

The Wastewater and Water Divisions have utilized the City/County bid process to secure pricing of the chemicals used in each respective treatment process for the next twelve months. The total cost is anticipated to be \$ 915,743.60. Staff requests approval

of the purchase of which the Contract for Bids begins on December 1, 2011 and ends on November 30, 2012.

It was the general consensus of the Mayor and City Council to include approval of the chemical purchase on the November 22, 2011 meeting agenda.

**Approval of Bulk Diesel Fuel Bid – Mansfield Oil Company (Gainesville, GA)  
\$ 3.0414/gal as of 09/02/11, Estimated Annual Total \$ 243,312**

**Approval of Bulk Gasoline Purchase – Petroleum Traders Corporation (Fort  
Wayne, IN) \$ 2.8016/gal as of 09/02/11, Estimated Annual Total \$ 336,192**

Washington County Government competitively bids out the gasoline and diesel fuel for themselves, the Board of Education and the City of Hagerstown to obtain a better bulk rate. The actual price for fuel will vary from the bid price depending on the current OPIS rate over the length of the contract. The bidder's Plus Factor is good through November 30, 2012 for both purchases.

Both the diesel fuel and gasoline purchase will be included on the agenda for November 22, 2011.

This completed the preliminary agenda review.

#### Western Maryland Blues Fest 2012

Karen Giffin, Community Affairs Manager, and Carl Disque, Executive Chair of the Western Maryland Blues Fest, were present to discuss the 2012 Western Maryland Blues Fest and to seek authorization of the budget.

The Western Maryland Blues Fest is submitting a tentative budget for the event so that the Mayor and City Council can approve the 2012 event by formal action and authorize any financial support or in-kind services to be supplied by the City. This is a working budget for the committee pending venue selections and contract negotiations. There is \$ 45,000 for the City Services included in the current fiscal year's Public Functions Account. The festival will be held on May 31, June 1, 2, and 3, 2012 and will be the 17<sup>th</sup> year for the event.

It was the general consensus of the Mayor and City Council to approve the 2012 Blues Fest Budget.

#### Police and Fire Retirement Plan Amendments

Donna Frazier, Director of Human Resources, was present to discuss recommended changes to the Police and Fire Retirement Plan.

There are three changes recommended at this time:

1. Change to 38-26B – Pickup Contributions – The change will provide the Provision for all active employees to continue with employee contributions until they retire/resign.
2. A change to 38-33 – Maximum Limitations on Benefits – this reflects a change in federal law and to ensure that the Plan may remain qualified for tax purposes.
3. A change to 38-55 – Retirement Plan Committee – Currently the committee includes a citizen of the City of Hagerstown. The recommended change defines that committee member to be “a citizen of Washington County with investment/financial experience.” That background and expertise would bring added value to the committee. Update Committee from Personnel Manager to Director.

Councilmember Brubaker thinks the committee member should be a Hagerstown resident. The language in the amendment will read “to serve on the committee who is a citizen of the City of Hagerstown with investment or financial experience...”.

The vacant position has been advertised on Channel 6. Councilmembers suggested advertising through Facebook and contacting the Chamber of Commerce.

Ms. Frazier stated there are no significant changes in IRS provisions. She suggested that Human Resources staff discuss several issues, i.e. credit for military service, at a future work session. John Kertzner, CBIZ, is scheduled to provide the annual report to the Mayor and City Council in January, 2012.

#### Greens at Hamilton Run 2012 Rates

Rodney Tissue, City Engineer, and Junior Mason, Superintendent of Parks, were present to discuss 2012 rates at the Greens at Hamilton Run.

During discussions regarding the overall plan to improve the golf course, staff proposed that a slight increase in rates is warranted. Staff feels these increases are justifiable since the Greens are lower priced than comparable courses and the City is actively working on various improvements to the course, club house and operations which are expected to improve the golfers experience starting in the summer of 2012. If acceptable, staff will adjust the rates by Administrative Order as allowed for in the budget document.

The following is some important background data:

1. The City subsidy to the Greens was \$ 225,000 in 2010. With 10,804 rounds of golf played, City taxpayers are subsidizing every round of golf by \$ 20.82. This is too high and staff is working very hard to lower this subsidy.

2. In calendar year 2011 there were 31 season passes issued. Season passes were only offered to current pass holders for 2011.
3. Only ten season pass holders are City residents and 21 are from out of the City.
4. Current charges are \$ 370.00 for City resident season passes and \$ 395.00 for non-City resident season passes. Seniors enjoy a lower rate of \$ 260.00 for City resident season passes and \$ 290.00 for non-City resident season passes.
5. Most pass holders play at least 75 rounds of golf per year. This yields a per round payment of approximately \$ 3.00 to no more than \$ 5.00 per round.
6. Other courses charge more for green fees and season passes.
7. For three years, the City has offered a coupon book that costs \$ 60.00 for nine, 9-hole rounds and for seniors \$ 50.00 for nine, 9-hole rounds

Last January, after evaluating the subsidy and the very low cost of golf enjoyed by season pass holders, staff issued a letter to the current pass holders that the season pass program would end at the end of 2011. Staff understands this is not a popular decision to the pass holders, but the City has to generate more income as operational costs are cut to the bare minimum. Therefore, as a compromise, staff is recommending that City resident passes increase from \$ 370.00 to \$ 425.00, and raise the senior passes for City residents from \$ 260.00 to \$ 300.00. These fee increases place the City in the middle-of-the-pack when compared to other courses. Staff is proposing any season pass rate increases be effective January 1, 2012. Staff further recommends eliminating the non-City pass altogether and promote the coupon book which proves an excellent discount below the normal rates.

Review of area golf courses shows that the Greens at Hamilton Run rates are the lowest in almost every category, while being in the best condition of all the nine-hole courses. Therefore, staff is proposing rate increases effective July 1, 2012. Staff is also recommending an increase to cart rentals, since rates are lowest in the area.

Councilmember Easton pointed out if the rates are increased and people stop playing, the subsidy will be even larger.

Councilmember Haywood stated it is not advisable to change rates simply based on what other courses are doing. The cost per service and improvements need to be considered in a review of rates and fees. She would need more information before agreeing to an increase in rates.

Councilmember Brubaker stated he likes that the increase is gradual. Changes can be made at any time if something is not working out.

Mayor Bruchey pointed out the season pass allows someone to play all day, every day for the cost. He is very concerned with the subsidy amount.

It was the general consensus of the Mayor and City Council to increase the rates as proposed.

Mayor Bruchey welcomed members of Boy Scout Troop 265 to the meeting.

### **CITY ADMINISTRATOR'S COMMENTS**

*Bruce Zimmerman, City Administrator*, reminded everyone the Boards and Commissions and Volunteer Luncheon will be held on Friday, November 18, 2011.

### **MAYOR AND COUNCIL COMMENTS**

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

*Councilmember W. M. Breichner* had no additional comments.

*Councilmember L. C. Metzner* had no additional comments.

*Councilmember A. C. Haywood* had no additional comments

*Councilmember F. W. Easton* had no additional comments.

*Mayor R. E. Bruchey, II* stated a recent article in the Herald Mail was disconcerting. The article was a story about downtown businesses. He indicated he found out that the Lotus Tea Company is moving in order to offer a tea room and small foods. Obviously businesses are moving for reasons other than believing the City is not doing enough. Staff is working harder than ever before. He is disappointed about where the Hagerstown Advance initiative stands. He feels there are some areas of the initiative that have not been fulfilled. Staff is competent and the City is moving forward.

John Lestitian, Director of Department of Community and Economic Development, informed the Mayor and City Council that future work sessions will include a review of all incentive programs in order to determine how the City can support existing businesses and help them through this difficult economic time.

Mayor Bruchey thanked staff who work hard every day to help the Mayor and City Council's goals be a reality. The City faces challenges, as well as many other small cities.

### **EXECUTIVE SESSION – November 15, 2011**

On a motion duly made by Councilmember F. W. Easton and seconded by Councilmember W. M. Breichner, the Mayor and City Council unanimously agreed by voice vote to meet in closed session to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, #1 and to consul with counsel to obtain legal advice, #7 at 5:16 p.m. in the Council Chamber, 2<sup>nd</sup>

Floor, City Hall, Hagerstown, Maryland. The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember W. M. Breichner, Councilmember M. E. Brubaker, Councilmember F. W. Easton, Councilmember A. C. Haywood, Councilmember L. C. Metzner, City Administrator Bruce Zimmerman, City Attorney John Urner, Kathleen Maher, Planning Director, Alex Rohrbaugh, Planner, Donna Frazier, Director of Human Resources, Michelle Burkner, Director of Finance, Michelle Hepburn, Budget Officer and Donna K. Spickler, City Clerk. The meeting was held to discuss an appointment to the Board of Code Appeals, to consult with the City Attorney and various personnel issues. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the meeting was adjourned at 6:35 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: December 20, 2011