

6TH SPECIAL SESSION, WORK SESSION AND EXECUTIVE SESSION FEBRUARY 21,
2017
MAYOR AND CITY COUNCIL HAGERSTOWN, MARYLAND
6TH SPECIAL SESSION, WORK SESSION AND EXECUTIVE SESSION –
February 21, 2017

EXECUTIVE SESSION – February 21, 2017

Councilmember D. F. Munson made a motion to meet in closed session to consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State, #4 (Section 3-305(b)), 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, February 21, 2017 at 3:02 p.m. in Room 407, 4th floor, City Hall, Hagerstown, Maryland. Councilmember L. C. Metzner seconded the motion.

Councilmember Corderman stated he objects to meeting in Executive Session at any time. Councilmember Metzner stated he objects to discussing union negotiations in closed session. Councilmember Aleshire also objected to discussing union negotiations in Executive Session.

Mayor Bruchey then announced union negotiations will be discussed in open session, possibly on February 28, 2017, prior to the Regular Session.

Motion carried 4-1 (after the removal of union negotiations from the items to be discussed) with Councilmember P. D. Corderman voting no.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember K. B. Aleshire, Councilmember P. D. Corderman, Councilmember E. Keller, Councilmember L. C. Metzner, Councilmember D. F. Munson, City Administrator Valerie Means, City Attorney Jason Morton, Michelle Hepburn, Director of Finance, Eric Deike, Director of Public Works, Michael Spiker, Director of Utilities, Rodney Tissue, City Engineer, Jill Frick, Director of Community and Economic Development, Alex Rohrbaugh, Planner, and D. K. Spickler, City Clerk.

The meeting was held to discuss two business proposals and to obtain legal advice. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the Executive Session was adjourned at 3:58 p.m.

6TH SPECIAL SESSION, WORK SESSION, AND EXECUTIVE SESSION – February
21, 2017

Mayor R. E. Bruchey, II called this 6th Special Session, Work Session and Executive Session of the Mayor and City Council to order at 4:14 p.m., Tuesday, February 21, 2017, 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.

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 meet in Special Session at 4:14 p.m.

Approval of an Ordinance: Amending Chapter 60-18.2, School Zones, of the City Code – School Zone at Jonathan Hager Elementary School

Action: Councilmember L. C. Metzner made a motion to approve an ordinance to amend Chapter 60-18.2, School Zones of the City Code, to establish a school zone and approve a Speed Monitoring System. The additional school zone will be on Sedgwick Way in the vicinity of the Jonathan Hager Elementary School.

Additionally, the Mayor and Council authorize the Hagerstown Police Department to move forward with the location of a speed monitoring system at this location.

Councilmember D. F. Munson seconded the motion.

Motion passed 4-1 with Councilmember P. D. Corderman voting no. Councilmember Corderman stated he is not comfortable with the speed monitoring portion of the ordinance.

Appointment of Members of the Permits, Inspection and Code Compliance Review Committee

Action: On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember P. D. Corderman, the Mayor and City Council unanimously agreed by voice vote to approve the following slate of names to be selected to serve on the Permits, Inspection and Code Compliance Review Committee of 2017:

Wes Churchey, Chair
Ken Berry
Scott Bowen
Michael Draper
Michael Fitzgerald
Michael Stanford
Councilmember Emily Keller
Councilmember Paul Corderman
Kathleen Maher
Blaine Mowen
Paul Fulk
Randy Gray

Approval of Purchase: Ford Police Vehicle – Keystone Ford (Chambersburg, PA) \$ 14,105.45

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 the purchase of one 2014 Ford Fusion. This vehicle will be purchased from Keystone Ford in Chambersburg, Pennsylvania for a total of \$ 14,105.45.

Funding will be from the Hagerstown Police Department’s vehicle CIP account.

The Special Session was closed at 4:18 p.m.

WORK SESSION - February 21, 2017

Annual Police and Fire Pension Review with CBIZ and PNC

Karen Paulson, Director of Human Resources, Alvin Winters, Consulting Actuary with CBIZ Benefits and Insurances Services, and Lisa Locher, Vice President and Senior Portfolio Manager of PNC Institutional Investment Group, were present to provide an update of the status of the Police and Fire Retirement plan, review plan performance, and discuss plan funding.

CBIZ serves as the City’s Police and Fire Plan actuary and has worked with the City since the plan’s inception in 1998.

Lisa Locher with PNC meets regularly with the City’s Police and Fire Retirement Committee to review investment performance, identify trends, project future performance, and monitor the City’s investment policy compliance. She also discusses any pertinent issues involving the plan and its investments.

A defined benefit pension is a major component of an employee’s overall compensation package. The Police and Fire Retirement Plan offers a very generous benefit that provides a maximum lifetime benefit of 60% of an employee’s 3 highest years’ salary after 30 years of service. Police and Fire employees are eligible to retire after 25 years of service and their benefit is calculated at 2% of their salary for each year they work.

As a comparison, the City participates in the Maryland State Retirement Plan for eligible non-sworn personnel. The Reformed Maryland State plan offers a benefit of approximately 40-50% of an employee's 5 highest years’ salary. Normal retirement is

age 65 with ten years of service or based on the Rule of 90 (age and service must equal 90). The Reformed Maryland Plan also has a ten year vesting requirement.

Since the Police and Fire Plan's inception, the City has funded 100% of the actuary's recommended employer contribution amount. The employee's contribution rate has remained at 7%, with Mayor and Council approving increasing City contribution rates to make up the difference. This absorption of contributions by the City was taken to ensure an actuarially sound funded retirement plan.

Chapter 38 of the City's Code details the authority and administration of the plan. Mayor and Council have ultimate authority over the Police and Fire Retirement Plan and the Committee. The City also works with legal representation to review the plan and make recommendations to remain in compliance with pension law. Attorney Edward Adkins from Miles Stockbridge will join staff in a future work session to discuss recommended updates to the Code.

The Police and Fire Retirement Committee reviews plan performance and discusses matters that could have an impact on the plan. The establishment and authority of the committee are also defined by Chapter 38 of the City's Code. Only two positions require Mayor and Council's formal appointment. The Committee itself votes to establish a Chair and a Vice-Chair. The committee membership is defined by the City Code. Currently, there is one vacancy. That member must be a citizen of the City of Hagerstown with investment or financial experience who shall be appointed by the Mayor and Council.

Mr. Winters reported that the assumed rate of return was lowered in 2006 from 8.00% to 7.75%. The average of the returns over the last 5 years has been 7.20% and the average over 10 years has been 6.6%. CBIZ is recommending a reduction in the assumed rate of return from 7.75% to 7.25%. The return is not as high as anticipated due to the current investment market.

The actual City contribution is currently capped at 14.0% of payroll which would fund the plan over 26 years. 14% of pay contribution is still less than the actuarially determined target, but the contribution remains sufficient with a payoff period of 26 years. The total actuarially determined contribution has continued to rise due to lower than expected investment yields and increases in life expectancy. The employee contribution rate has remained unchanged but the City contribution has increased 50%, even with the sections of the payoff period.

The continued low interest rates may make achieving targeted rates of return difficult in the short term. The Society of Actuaries is currently studying mortality experience of governmental pension plans and may release a draft report in late 2018. The report is expected to have separate mortality analysis for police and firefighters. It is too early to say if it will increase or decrease plan obligations.

Mr. Winters recommends continuing to fund the city contribution at 14% with additional amounts if possible. The current contribution amount remains actuarially sound. There is little room for adverse future experience which could force higher contributions in the future. No increase of benefits are recommended until the plan funded percentage increases. Other recommendations include considering increases in employee contribution rate to partially offset adverse investment performance and life expectancy increases, and considering eliminating the interest crediting rate on employee contributions. Eliminating the interest credit only affects employees who terminated without being vested or those that withdraw employee's contributions from the plan. Vested employees generally don't withdraw contributions because they forfeit their annuity, which generally exceeds the value of their benefit.

Councilmember Aleshire asked if the 14% rate has changed as a result of extending the number of years. Mr. Winters indicated it has not.

Councilmember Aleshire asked for clarification of the term benefits. Mr. Winters stated there is no increase in the benefits under the plan that are payable. There are no COLAs, no reduction in the date of retirement age, and no increase to any benefits payable to the plan.

Ms. Locher stated portfolio management decisions are guided by the Plan's Investment Policy Guidelines, which are reviewed and reaffirmed at least annually. The Plan market value as of June 30, 2016 was \$ 18.8 million versus a year earlier market value of \$ 19.1 million. The market value as of January 31, 2017 was \$ 19.3 million.

Looking ahead, the domestic economy is expected to be better this year than last, although not markedly so. Another year of tepid global growth is expected. There is the potential of fiscal policy stimulus from the new administration to lay the groundwork for fundamental economic improvement and growth reacceleration. In 2017, advisors will be keeping an especially close eye on inflation, global political developments, proposed policies in corporate tax reform and asset repatriation, infrastructure spending and fiscal stimulus, among other factors.

Councilmember Corderman stated he is hearing changes in the contribution will have to be made. Mr. Winters indicated the current contribution will be adequate for the current year. Councilmember Corderman stated public safety is a key priority.

Preliminary Agenda Review

Consent Agenda

A. Community and Economic Development:

1. Open Container Exemption – Wind Down Friday
2. Updated 2017 Street Closure Requests
3. Trick or Treat Date – October 31, 2017

B. Parks and Engineering:

1. Parks – Ford F-250 Pickup Truck – Keystone Ford (Chambersburg, PA)
\$ 32,971.00

C. Police:

1. Purchase of Getac Tablet Computers – HCGI Hartford (Columbia, MD)
\$ 23, 025.00

D. Public Works:

1. Purchase of Bucket Truck to Replace Unit 601 – Altec Industries, Inc.
(Elizabethtown, KY) \$ 70,749.00

E. Utilities:

1. Electric – Distribution Transformers – National Transformer Sales
(Raleigh, NC) \$ 55,783.00
2. Water – Ford F150 to Replace Unit 202 – Keystone Ford
(Chambersburg, PA) \$ 25,859.00
3. Water – Ford F350 to Replace Unit 204 – McCafferty Ford
(Mechanicsburg, PA) \$ 39,444.00
4. Water – Water Meters – HD Supply Waterworks (Martinsburg, WV)
\$ 25,000.00
5. Water – Replacement of Turbidimeters – Hach Company (Loveland, CO)
\$ 53,723.27
6. Water – Cyber Security Evaluation at R. C. Willson Plant for New
Chemical Building – ABB, Inc. (Wickliffe, OH) \$ 24,209.37
7. Water – Cyber Security Evaluation at R. C. Willson Plant – ABB, Inc.
(Wickliffe, OH) \$ 12,500.00
8. Wastewater – Replacement of SCADA Equipment – Motorola Enhanced
SCADA Solutions (Rolling Meadows, IL) \$ 18,703.60
9. Wastewater – Manhole Conversion Risers and Lids – East Jordan Iron
Works (Finksburg, MD) \$ 64,843.06

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

**Approval of a Resolution: Lease Agreement with United States Postal Service
for Portion of the Market House Parking Lot**

Eric Deike, Director of Public Works, discussed a contract with the United States Postal Service (USPS) for parking privileges in the Market House parking lot. The parking lease would be for an initial five years with an option to renew for another five years. The USPS has had an existing contract with the city since 2001 and wishes to update their records and enter into a new lease agreement.

The conditions of the lease are as follows:

1. Parking spaces would be rented in the Market House Parking Lot at 25 West Church Street.
2. Five year term beginning on March 1, 2017.
3. Option to renew for another five years that could extend the contract to the year 2027.
4. Lease would be for 74 parking spaces.
5. USPS may terminate the lease at any time by giving 120 days notice to the landlord. The City does not have the same right to terminate the contract.

The City's legal counsel has reviewed the proposed lease agreement. They are agreeable with the terms and conditions.

The lease agreement calls for an annual lease amount of \$ 40,000.00 for the initial five year lease. The amount would rise to \$ 42,500.00 per year during the five year renewal.

Mr. Deike noted there is also an agreement with the Department of Social Services (DSS) for 15 spaces for Monday to Friday use in the Market House lot. That agreement will expire in early 2018.

Councilmember Aleshire wondered if the USPS employees could use the spaces that DSS doesn't use on Saturdays, rather than in the Market House lot. Mr. Deike indicated employees use mirror hang tags to designate they are postal employees.

Councilmember Corderman wondered why the City would consider limiting the available spaces at the Market House when attempts are being made to increase participation at the Market.

Councilmember Aleshire asked for clarity that vendors would be allowed to park in the spaces in the Church Street lot on Saturdays. He does not think the vendors realize that lot is available.

Approval of the resolution will be included on the February 28, 2017 Regular Session agenda.

Approval of Resolutions: Multiple User Agreements – West End Little League, Hagerstown Colt and Palomino League, Washington County Seniors Softball League, Inc., Hagerstown BMX, National Little League, American Little League, and Hagerstown Pony League

Rodney Tissue, City Engineer, stated these agreements are all renewals. Each agreement is for one year (through December 31, 2018), with renewal options for two additional two year terms.

Councilmember Munson stated both he and Councilmember Aleshire have received calls from Mike Kelbaugh, Hagerstown Fairgrounds Softball Association, inquiring about

why the league has to pay for electric usage when others don't. Mr. Kelbaugh is interested in reducing the league's overall costs. He has also asked why the City of Hagerstown does not subsidize this league when it subsidizes others.

Councilmember Aleshire thinks this is a question of consistency. Different entities take on different levels of responsibility for the spaces they are using. He wants to ensure that users that have similar operations are treated consistently. When the league started using the fields, there were no lights and the league was geared toward adult participants. There are now other groups that accommodate adult players.

Councilmember Metzner mentioned the church league requested lights and offered to pay for the installation of them.

Mr. Tissue stated the church league has a number of subsidiary leagues, including a girls league. They charge for participation, which is their funding source. They pay for the electricity used with the lights. The current agreement with the league expires next year.

It was the general consensus to include approval of the resolutions and agreements on the February 28, 2017 agenda.

Approval of License Agreement – Union Place Right-of-Way

Rodney Tissue, City Engineer, stated staff received a request from Julian Alexander (dba SRALEX, LLC), the owner of the property at 673 Highland Way, regarding the existing unimproved right-of-way of Union Place adjacent to his property. Prior to Mr. Alexander's purchase of the property, previous owners had constructed a retaining wall in the right-of-way, and had installed a shed and a swimming pool that encroached upon the right-of-way. Mr. Alexander would like to remove the swimming pool and its adjoining deck, but leave the retaining wall and shed in place. He would also like to use a portion of the right-of-way for vehicle parking. Staff advised Mr. Alexander that there was no record of any previous City approval to allow these encroachments into the right-of-way, and that a License Agreement would be required to allow these encroachments to continue.

The proposed License Agreement would not create any new encroachments into the right-of-way; the removal of the pool and its deck will actually decrease the obstructions in this area. However, approval of the Agreement would allow the existing shed and retaining wall to remain as encroachments. The proposed Agreement contains clauses that will allow Mr. Alexander to use the right-of-way for vehicle parking, with the condition that vehicles parked in this area do not hinder access to 621 Union Place.

It was the general consensus of the Mayor and City Council to include approval of this license agreement on the February 28, 2017 agenda.

Approval of Hagerstown Suns Fireworks Schedule for 2017

Mr. Tissue reported the Hagerstown Suns are seeking approval of nine regular season fireworks shows and four potential playoff shows after their baseball games during the 2017 season.

Councilmember Metzner stated the schedule until September is acceptable to him. In September, there are consecutive dates requested. He does not support the back to back displays, especially on weeknights.

Mr. Tissue indicated these two shows are included in the event the Suns make the playoffs.

Approval of the requested regular season fireworks displays will be included on the February 28, 2017 agenda. Future dates will be considered if the Suns are in the playoffs at the end of the season.

Approval of an Exemption to the Water and Wastewater Policy in order to Supply Water Service to Lot 3 and Lot 4 at Cross Creek Development

Michael Spiker, Director of Utilities, informed the Mayor and City Council the site plan for this area is currently inactive. There are no active commercial entities vying for the property.

Councilmember Aleshire asked if there is a timeframe included for this exemption. Mr. Spiker indicated a request was made for an open ended future use. Councilmember Aleshire stated he understands the request but finds it difficult to provide an exemption for a future use without specific information.

Approval of the exemption will be considered on February 28, 2017.

This completed the Preliminary Agenda review. There were no additional comments or questions regarding the items on the Preliminary Agenda. All items are scheduled for approval on February 28, 2017, unless otherwise stated.

Relocation of Parking System Office to 25 E. Franklin Street

Eric Deike, Director of Public Works, and Jonathan Kerns, Community Development Manager, were present to discuss the possibility of relocating the Parking System main office from its currently location at 25 Renaissance Way (Arts & Entertainment Parking Deck) to 25 East Franklin Street in the Roslyn Building.

Staff has been discussing a number of major changes to the Parking System as a way to improve operations and customer service. A priority is to relocate the main Parking System office away from the Arts & Entertainment District Parking Deck (A & E). The

current location is in an alley making it difficult for customers to locate it, creates safety issues for the staff, and is simply too small.

Both City Hall and the Elizabeth Hager Center were discussed. Neither has the available space or provides the customer service experience staff hopes to enhance. The office space at 25 E. Franklin Street may fit the needs of the Parking System. This space is currently occupied by the Parking Enforcement Officers (PEO) and was recently occupied by the Auxiliary Police.

The last paying tenant (CHIEF) vacated the space at the end of 2011. The Auxiliary Police took occupancy sometime after that as a satellite office for staff in the downtown. The current tenant does not pay rent for the space.

Benefits of the Parking System occupying the space include:

1. It moves the operations out of an alley into a more public setting. This provides for better customer service so that clients are not standing outside in close proximity to an alley when getting information regarding parking. Clients should feel more comfortable visiting an office rather than standing outside a booth.
2. The new location could be the primary source for parking permits.
3. Some parking staff members feel a sense of isolation while working alone in the office at the A&E location. There is no visibility to the public or police.
4. Other proposed changes to the Parking System include plans for hiring one additional supervisor position and potentially taking on the responsibility of parking enforcement. These are longer term goals.
5. Parking affects everyone that drives to the downtown. This space would provide a location that is easier to locate and access. All things parking could be brought under one roof.
6. The Parking System would pay rent. While this increases the expense side of the parking operations, it helps with the revenue side of Property Management. There has been no paying tenant in the space since January 1, 2012. The Home Store pays an annual rent of \$ 1.00 and Spickler's Market pays \$ 9,187.50 per year. CHIEF paid \$ 9,200.00 per year when they vacated the property. Parking could pay a market rate fee per foot similar to Spickler's Market.
7. The Auxiliary Police have already relocated to the basement of the Elizabeth Hager Center. Due to the periodic water infiltration issues in the basement, the general consensus is that the basement area, once occupied by City Ballet, will no longer be rented. There is an office space referred to as "the sewing room" that will easily meet the needs of the Auxiliary Police. There is space for storage (bikes, files, etc.) and the basement is accessible by steps and an elevator.

Building security has become less of an issue since the ballet school vacated the property. Entry is only during business hours Monday and Friday which

has reduced the number of hours vagrants and others could simply walk into the building. Even so, the Auxiliary Police can patrol the open and common areas much easier providing a level of security currently not on site.

According to City records, the City acquired the Roslyn Building in 1996 from Hagerstown Table Corporation for \$ 75,000. In 1998 through 1999, the City expended \$ 850,000 on renovations and upgrades to the Roslyn Building. The renovation work included, but was not limited to, new windows, roofing, fire suppression, new stair tower and elevator, and three fully renovated storefront spaces. The aforementioned acquisition and renovation costs were funded through the Community Development Block Grant (CDBG) program. After the acquisition and initial renovations, the property has been maintained through the property management fund. The upper floors have remained vacant.

Since CDBG funds were used for the property acquisition and renovation of the 25 East Franklin Street space, CDBG restrictions still apply to the use of this space. CDBG regulations prohibit using CDBG funds to acquire or renovate space to be used for the general conduct of government. Although there are some exceptions to this rule, staff have confirmed the Parking System Office would be considered an ineligible use of the space.

Staff have worked with representatives from the Department of Housing and Urban Development (HUD) to identify steps that would eliminate the CDBG restrictions tied to the 25 East Franklin Street space. In order to eliminate the CDBG restrictions on this space, the City would need to use \$ 46,250 in local funds to repay Hagerstown's CDBG program. The amount of \$ 46,250 is 5% of the total CDBG funds utilized for the acquisition and renovation of the Roslyn Building. The repayment of 5% is based upon the square footage of the 25 East Franklin Street space being 5% of the total square footage of the Roslyn Building. If the \$ 46,250 is refunded to the CDBG program, it will still remain in Hagerstown's CDBG budget and can be used for local CDBG eligible projects. CDBG restrictions to other portions of the building will still be in effect.

The current market lease agreement for Spickler's Market rents for \$ 8.75 per square foot of space and incrementally increases through January 31, 2020. The Parking System would pay a similar amount for the 800 square feet of office space. The city cannot hold a lease with itself. However, money can be transferred from one account to another.

If funding is paid back to the CDBG program to lift the restrictions on the 25 East Franklin Street space, the City would need to utilize the funding for an eligible CDBG activity. As suggested by HUD staff, the funding should be used for an existing activity that has already been through the standard CDBG Action Plan and Environmental Review.

Mr. Deike indicated there will be staff at the deck to assist customers immediately with questions or problems. The parking office move would be for the administrative portion of the operation.

Councilmember Aleshire noted the building is for sale and full store fronts will improve the marketability of the building.

Councilmember Corderman is concerned the City has invested \$ 1 million in the building and is now considering paying rent for office space.

Councilmember Aleshire stated he would be happy if the building was sold.

Councilmember Munson stated he supports the move. He believes this will be safer for the people working in the parking division.

Mayor Bruchey informed the group he took a prospective purchaser through the building recently.

It was the general consensus to include the approval to repay the CDBG funds in order to remove the restrictions to locate the parking office in the building on the February 28, 2017 agenda.

FY16 CDBG Action Plan for Unanticipated Program Income

Jonathan Kerns, Community Development Manager, and Rodney Tissue, City Engineer, were present to request approval to amend the Community Development Block Grant (CDBG) FY16 Action Plan. The amendment is required for the allocation of unanticipated CDBG Program Income received from a CDBG loan payoff. The proposed amendment will allocate \$ 80,000 of CDBG funding to construct sidewalk accessibility ramps in multiple City neighborhoods. Staff also request approval of a change order to the existing Accessibility Ramps contract in order to carry out construction of the accessibility ramps.

Each year, the CDBG Program provides funding for various projects throughout the City. Some of this funding is provided to homeowners and service providers in the form of a low interest loan. When these loan funds are repaid, the funding is considered CDBG Program income (all CDBG regulations still apply). Occasionally, the City receives an unexpected loan payoff resulting in unbudgeted revenue to the CDBG program. Staff has determined the CDBG fund has \$ 80,000 of unbudgeted revenue from a loan payoff received at the end of FY16.

CDBG Citizen Participation Regulations require this unbudgeted revenue to be allocated by amending the CDBG Action Plan. Amending the CDBG Action Plan involves routine processes typically handled by staff. The amendment for this current

case will also require Mayor and City Council approval since the amount of unbudgeted revenue is greater than \$ 25,000.

Each year, DCED staff and Parks and Engineering staff work together to carry out CDBG eligible projects in Hagerstown. One of these CDBG funded projects includes upgrading the City's sidewalk system with handicap accessible ramps. These upgrades are required by the Americans with Disabilities Act (ADA) and using CDBG funds for this project helps lower general fund costs for this particular capital improvement.

The Department of Parks and Engineering has an existing contract with Odd Jobs Contractors, LLC for the installation of handicap accessible curb ramps. In a market of constantly increasing costs, a change order to this existing contract would allow the City to take advantage of 2016 competitively bid pricing. With the change order, the current contract amount of \$ 138,626 would be increased to \$ 218,626. This change order scenario would also be consistent with CDBG regulations related to Environmental Review and timely spending of grant funds.

Staff recommend amending the FY16 CDBG Action Plan by allocating \$ 80,000 of unbudgeted Program Income to CIP CO2017 and approving a change order of \$ 80,000 for contract RFP-16-SA-06 Sidewalk Accessibility Ramps.

Mr. Tissue informed the group that accessible ramps are updated prior to work under the pavement preservation program. The contractor is willing to hold the prices from last year in order to complete this work.

Amending the Action Plan for this allocation will meet HUD deadlines for use of the money.

Mayor Bruchey asked if the \$ 80,000 could be utilized in a different manner to benefit the citizens.

Councilmember Corderman would prefer to use the \$ 80,000 for homeownership programs.

Mr. Kerns recommended allocating the \$ 80,000 for curb cuts now and look at future funding for the other uses mentioned.

It was the general consensus to move forward with amending the FY16 CDBG Action Plan.

Offer of Donation of Public Art

Rodney Tissue, City Engineer, reported staff of the Chevy Chase Land Company (CCLC) recently contacted City staff through the landscape architect on the Cultural Trail, Mahan Rykiel and Associates. The CCLC is endeavoring to completely redesign

the streetscape and public space at Farr Park, which is part of a high end boutique shopping center, located on Wisconsin Avenue in Chevy Chase, Maryland, just over the border from Washington, D. C. The high end boutiques and restaurants in Chevy Chase are giving way to a more mid-market group of retailers, and the developer is redesigning the area accordingly.

The CCLC owns two landmark public art sculptures currently sited within this area. They must deaccession both sculptures as part of the redesign of the public spaces, and have secured the needed permissions from the Maryland-National Capital Park and Planning Commission in Montgomery County. Both sculptures were created by the award-winning American sculptor Richard Deutsch ten years ago. Based in Los Angeles, Mr. Deutsch is noted for his large-scale architectural and environmental projects in stone, bronze, water and steel. He is the recipient of fellowships from the American Academy in Rome and the National Endowment for the Arts, and his work is in the permanent collections of numerous institutions, including Stanford University, San Francisco's de Young Museum and the Smithsonian Institute.

The first and larger piece, *Against the Day*, is comprised of eight massive granite forms and is offered to a leading art museum in Washington, D. C.

The second, smaller piece is titled *Pod* and is three hand-carved granite forms that nestle together in a grouping. CCLC has generously offered this sculpture to the City of Hagerstown for Hagerstown's Cultural Trail at no cost, and has offered to provide \$ 6,000 to defray expenses, contingent on the following:

1. The city providing an appropriate and prepared site for the piece that is acceptable to the artist.
2. The City providing transportation and installation for the piece at the new site.

The appraised value of the sculpture is \$ 300,000.

The proposed location of *Pod* is on the west side of the lake in City Park, directly opposite City Circle at the terminus of the Cultural Trail near the stairs that lead up to the entrance to the Museum of Fine Arts of Washington County. The site was developed by the Trail's art consultant with Mr. Deutsch, who walked the Trail when he visited Hagerstown last fall.

This sculpture and its siting is consistent with the Trail's Public Art Master Plan as it provides an artistic landmark to highlight the art museum at the trail's southern end, is durable work that is safe for interaction for all ages, and is a high standard of excellence for public art in the city. For all these reasons, the Artist Selection Committee established by the previous Mayor and Council unanimously recommends the City acquire the piece. The artwork will add prestige and artistic diversity to the Park, the Trail, and the community in general.

The estimated cost of relocating the art in Hagerstown is \$ 48,500. Items included are artist honorarium and consulting fee, shipping to Hagerstown, crane service to set the piece, and estimate for site work, pad, and lighting.

The budget for the project is \$ 6,000 donation from CCLC for artist fee and transportation cost, \$ 15,000 in fund balance from Cultural Trail project, and \$ 27,500 for fundraising (or CIP fund balance). The City would need to underwrite the fundraising amount pending a fundraising effort to find a private donor. A single large donor would be named sponsor of the Pod.

The sculpture would be installed as soon as funds are in place.

Councilmember Keller supports accepting the donation.

Councilmember Corderman asked how the fundraising effort would be handled. Mr. Tissue stated he and Erin Anderson, Communications Manager, have discussed several ideas.

Councilmember Aleshire asked if accepting this sculpture would change the configuration of the trail. Mr. Tissue indicated it would not.

Mayor Bruchey stated it appears to be more of an attraction for the museum.

Councilmember Aleshire feels that this is a step toward industrialization of the park and finds it to be visually intrusive. He would rather use the funds toward the removal of the property at the triangle at Park Circle, which he views as an impediment on the trail.

Councilmember Metzner does not think the City should pass up the opportunity to own a \$ 300,000 sculpture by a recognized artist.

Mr. Tissue indicated the offer might be withdrawn if the artist's chosen location is not acceptable.

Acceptance of the donation will be included on the February 28, 2017 Regular Session agenda.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator, had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmember D. F. Munson had no additional comments.

Councilmember L. C. Metzner had no additional comments.

Councilmember P. D. Corderman attended the Policeman's Ball recently. He congratulated Sgt. Ed Plummer and K-9 Officer Thomas Bartles for being recognized as Sergeant of the Year and Officer of the Year respectively. He met with Marvin Lohr, who has expressed his concerns about trash during Citizen Comments, to discuss his ideas. He asked for an update on the Trash Ordinance.

Councilmember K. B. Aleshire had no additional comments.

Councilmember E. Keller encouraged everyone to attend the Opioid Addiction workshop scheduled for March 2, 2017.

Mayor R. E. Bruchey, II also attended the Policeman's Ball. He spoke to fourth grade students at Bester Elementary School earlier today about the MML "If I Were Mayor ..." contest. An employee awards luncheon was held earlier today. He thanked employees for their service. A grand opening reception was held this afternoon for Hager Watches at 36 S. Potomac Street, Suite 204.

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 6:08 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: March 28, 2017