

14TH SPECIAL SESSION, WORK SESSION, AND EXECUTIVE SESSION – May 2,
2017

EXECUTIVE SESSION – May 2, 2017

On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember E. Keller, 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)), on Tuesday, May 2, 2017 at 3:01 p.m. in the Council Chamber, 2nd floor, City Hall, Hagerstown, Maryland.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember K. B. Aleshire, Councilmember E. Keller, Councilmember L. C. Metzner, Councilmember D. F. Munson, City Administrator Valerie Means, City Attorney Jason Morton, Noel Milolo, Miles and Stockbridge, Michelle Hepburn, Director of Finance, Alex Rohrbaugh, Planner, and D. K. Spickler, City Clerk. Councilmember P. D. Corderman was not present.

The meeting was held to consult with legal counsel about a business proposal. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the Executive Session was adjourned at 3:49 p.m.

WORK SESSION – May 2, 2017

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:03 p.m., Tuesday, May 2, 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.

Proclamation: National Bike Month and Bike to Work Week

Mayor Bruchey read a proclamation naming May, 2017 as National Bike Month and May 15-19, 2017 as Bike to Work Week. Mike Mittel, Hagerstown Bicycle Advisory Committee, accepted the proclamation.

A number of rides have been organized for the month of May. Mr. Mittel welcomed everyone to participate in these rides. The 7th Annual Ride with an Elected Official will be held on May 13, 2017.

Councilmember Metzner thanked the Bicycle Advisory Committee, Rodney Tissue, City Engineer, and staff for their successful efforts in finding grants to enhance the bicycling experience in Hagerstown.

Mayor Bruchey asked people to respect bicycle lanes.

Citizens Police Academy Graduation Recognition

Mayor Bruchey, II, Police Chief Victor Brito, and Officer Gerard Kendle presented certificates to the members of the Citizens Police Academy who recently completed the course. The recipients are: Howard E. Bowers, Andrew M. Boykin, Jenna Eiren Caruthers, Vernice Chase, Benjamin Chlebnikow, Lynette Cunningham, Ana C. Dominguez, Kay Fowler, Sheryl Lynette Goree, Sean M. Griffith, Paul Hammon, Donald Scott Harkcom, Sr., Donald Scott Harkcom, Jr., Vonda Kendle, Mary Lynn Metzger, Anne E. Ramirez, Blake E. Rath, Desiree Schindler, Grace Marie Sprankle, Carl L. Thomas, Toby Wantz, and Sharon Whittaker.

Councilmember Corderman arrived at the meeting.

Special Recognition – Captain Thomas Langston

Police Chief Victor Brito recognized Captain Tom Langston for being accepted into the FBI National Academy. The FBI National Academy is a professional course of study for US and international law enforcement leaders nominated by their agency heads because of demonstrating leadership qualities.

FY 2017/18 Budget Review

Michelle Hepburn, Director of Finance, was present to continue review of the proposed budget. A schedule of potential adjustments discussed during the April 25, 2017 Work Session was reviewed.

In reference to departmental funding, Councilmember Keller does not think funding for advertising and marketing should be reduced. She does not support reducing funding for economic development. Reducing funding in both these areas would be detrimental to efforts to promote Hagerstown.

Councilmember Corderman is concerned that people will not want to invest in Hagerstown if the tax rate continues to increase.

Lowering the tax rate to match the Constant Yield Tax Rate reduces anticipated revenue by approximately \$ 700,000.00.

Councilmember Corderman stated he believes additional Fund Balance Reserve transfers should be considered. Ms. Hepburn stated the Reserves cannot be used for operating funds. The costs have to qualify as one-time uses. Fund Balance Reserves were used for several CIP projects that would not create on-going expenses. Making changes to this schedule would have no impact on the funding gap.

Ms. Hepburn stated, as Director of Finance, she does not recommend using Fund Balance Reserves to balance the budget. The Reserves represents about two months of

continuous operations. Bond rating companies would not view use of reserves favorably. The City's Bond Counsel would not support this use.

Ms. Means pointed out that using fund balance as part of the budget sends the message that the budget is not structurally balanced.

Bond reviewers have questioned the declining property assessments in Hagerstown. However, willingness of the City to increase revenue, even if it means raising the tax rate to find sustainable revenue, has a positive effect on bond ratings.

Councilmember Corderman suggested not including funding for projects that aren't an immediately necessity. Ms. Means indicated the projects listed are ones that staff indicated couldn't be deferred any long. The only reason Fund Balance Reserves were used to balance the proposed budget is because of the proposed increase in revenue from the increased tax rate. Use of Fund Balance is not being recommended in future projections.

Ms. Hepburn stated as soon as this budget is passed, conversations have to start about the direction of the City. Amenities, programs, and services have to be reviewed. There must be direction from the Mayor and City Council for the implementation of stormwater management.

Mayor Bruchey stated conversations about sustainable revenue and sustainable budgets must be held as well.

Ms. Means asked if the Mayor and City Council want to include a 5.5 cent tax rate increase or a 2.8 cent tax rate increase, which would match the Constant Yield Tax Rate.

Mayor Bruchey wondered if vehicle purchases could be deferred.

Councilmember Corderman does not support a 5.5 cent tax rate increase.

Councilmember Keller is concerned that not increasing the tax rate by 5.5 cents will result in difficult decisions regarding staffing and the budget. She asked those that oppose the tax rate increase to offer solutions to reduce expenses or increase revenue.

Councilmember Aleshire stated City policy limits the amount of fund balance that can be used.

Mayor Bruchey suggested using reserves for economic incentives.

Councilmember Aleshire stated if the union contracts are approved as they currently stand, without some type of revenue enhancement in the budget, the rates will have to be raised again in future years to fund the contracts.

Councilmember Metzner stated the referendum supporting binding arbitration will create funding issues. If the police department budget is not approved, there will be no

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

police officers. The City is paying what it has to in order to hire officers. Some people will say the fees being discussed are really just other taxes. If revenue is not increased, layoffs may be necessary, which would create another situation. Negotiating teams worked with the City during the recession and agreed to furloughs and hiring freezes. The groups need to be made whole. He doesn't think cutting amenities is appropriate when the poverty rate in Hagerstown is 27%. Stormwater fees would be applied to all properties, both taxed and tax-exempt, which would be fairer for all residents. He believes a multi-tiered tax rate would eventually be passed on to tenants. He doesn't see where additional cuts could be made without reducing services. It seems reducing the OPEB payment might be an option.

Ms. Hepburn stated both bond rating companies mentioned the City's funding of OPEB and the pension plans as being positive influences on the ratings.

Councilmember Munson stated the City is a service provider and the only way to reduce costs is to reduce services. The fact that assessments and property values are declining is a significant concern. Until the tax base increases, the City's budget woes will continue.

Each item on the list was discussed and the following is a summary of the changes agreed to by a consensus of the Council:

1. Tax rate to be equal to the Constant Yield Tax Rate
2. Commitment to move forward with implementation of the Stormwater Management Fee
3. Reduce events by \$ 10,000 (with staff determining reductions)
4. Legal counsel to remain at current level

Scott Nicewarner, Director of Information Technology and Support Services, anticipates being able to partner with other groups to advertise City services. Social media is being used more.

Councilmember Aleshire thinks there will be additional revenue in Planning and Code Administration abatements.

Councilmember Munson does not think the benches discussed last month should be placed downtown. It was noted this expenditure will be in the current fiscal year.

Councilmember Munson suggested having a task force review the City's budget for advice on how to make it sustainable. Ms. Means stated during the budget process, all departments are involved in creating budgets. Staff has provided their best budget to the Mayor and City Council for review. She stated direction is needed from the Mayor and City Council of how they want to move forward and if any service reductions are acceptable.

Update on the Vietnam War Veterans Monument along South Walnut Street

Les Bishop and Jim Kline, Joint Veterans Council, were present to provide an update on the Vietnam War Veterans Monument. Fundraising has started for the monument to be located on South Walnut Street. The design is being developed and the group hopes there is some work at the site in the near future. They are finding there is a great deal of negativity in the community about Vietnam. As they are fundraising, they remind potential contributors that it's not about the policy but about the people who served. Seventeen people from Washington County died in the Vietnam War.

Councilmember Metzner thanked the group for all their efforts to recognize veterans. He has been trying to find information about Korean War veterans in order to organize a trip to Washington. Mr. Bishop indicated that information is difficult to find.

Mr. Kline thanked the City for providing the land for the monument. He also thanked Rodney Tissue, City Engineer, for working with them since the beginning of the project.

Refuse and Curbside Recycling Collection Services

Rodney Tissue, City Engineer, was present to finalize the list of options the Mayor and Council wish to consider in the bids for the new solid waste collection contract.

The current contract services are anticipated to increase \$ 10 to \$ 15/per unit annually over current costs due to market conditions. In addition to nine individual items within the current contract, five other options will be included in the bid request. These options are:

1. Every other week yard waste collection (less convenient than current program)
2. Every other week recycling collection (less convenient than current program and will increase trash tonnage and decrease recycling)
3. Hazardous waste collection program (pay for it whether you use it or not)
4. Collection of Zone "F" trash and recycling from alleys – where practical and possible (smaller trucks, more handling of material will increase costs). It was noted a dumpster program probably would not work in Zone F.
5. Annual Electronics Recycling event (popular with residents)

Mayor Bruchey suggested having a dumpster program on the Suns parking lot in the fall. City residents would pay per truckload to use the dumpsters. Mr. Tissue stated the tipping fees were significant for a similar program that had been administered through Public Works.

Mayor Bruchey stated moving the pick up in Zone F to the alleys will at least get the litter off the streets.

Mr. Tissue indicated building with numerous units don't always participate in the recycling program. Councilmember Aleshire stated Frederick County requires the building owner to provide refuse service to the tenants.

The current contact and five options will be bid out. Staff will continue searching for grants for electronics recycling and other services.

14th Special Session – May 2, 2017

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 to meet in Special Session at 6:13 p.m.

Approval of AFSCME 3373 Labor Contract

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 to approve a collective bargaining agreement between the City of Hagerstown and the American Federation of State, County and Municipal Employees Local No. 3373. This agreement shall run for a period of five years, commencing on July 1, 2017 through June 30, 2022.

Discussion: Councilmember Aleshire questioned and clarified several provisions of the contract. He noted many of these items have costs associated with them.

Karen Paulson, Director of Human Resources, reported the new goal is less Field Officer Training hours, meaning new hires should be on the streets sooner.

Councilmember Aleshire noted there is no increase in health care coverage premiums for employees. This means the City is absorbing any increase in overall premiums.

Mayor Bruchey asked how much the cost for the level plan has increased in the last five years. Ms. Paulson will obtain this information.

Councilmember Aleshire thinks this information should be included in the contract.

Councilmember Metzner stated he will vote for this contract but won't vote for a contract that has a better clause for sick leave than this one. He does not think there should be a "me too" clause in any of the contracts.

Approval of Sale of Truck: 1997 Tractor Drawn Aerial Fire Truck

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 sale of a 1997 Simon-Duplex/Aerial Innovations Tractor Drawn Aerial, also known as Truck 4 to Goodwill Fire Company of York County, PA for the sum of \$ 35,000.00. As both Simon-Duplex and Aerial Innovations are long out-of-business, the market demand for this truck is more for parts and scrap than the offer submitted by Goodwill Fire Company. The offer is valid until May 8, 2017 per condition stipulations in the offer for the truck.

Approval of a Purchase: TV Production Studio Equipment and Lighting

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 approve the purchase of television production equipment and lighting for the new Hub City Now studio, located in the Elizabeth Hager Center, from Broadcast Concepts, Inc. (Columbia, MD) for \$ 118,120.00.

Communications staff will utilize this equipment to enhance video messaging to the community about updates in local government and events in Hagerstown. This will help grow informed and engaged citizenry by providing quality content on the City cable channel and social media outlets. The funding source for this project is PEG Fees, which are designated for capital projects to support the City cable channel.

Approval of Payment to Brekford for Speed Camera Contract

Action: Councilmember K. B. Aleshire made a motion to approve of payment to Brekford for the speed camera charges for the remainder of the contract period which ends in December of 2017. The original contract, effective January 3, 2012, was extended by the Mayor and City Council on November 22, 2016. The monthly fee is \$ 38,500 for a total (January through December) of \$ 462,000. This contract crosses fiscal years and sufficient funding is included in the FY18 proposed budget. Councilmember L. C. Metzner seconded the motion.

Motion carried 4-1 with Councilmember P. D. Corderman voting No.

Approval to Apply for a State of Maryland Community Program Fund Grant

Action: On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember E. Keller, the Mayor and City Council unanimously agreed by voice vote to apply for a State of Maryland Community Program Fund Grant in the amount of \$ 57,600.

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

This grant will fund community outreach programs such as Police/Youth Dialogue Circles, a Collaborative Policy Dialogue Committee, and on-going programs such as midnight basketball, as well as overtime for officers to participate in these programs.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator, had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmember D. F. Munson attended a Hagerstown Kodiaks hockey game recently. He found it to be inspirational. Sleds were purchased for the team, whose members are disabled, from an anonymous \$ 10,000 donation.

Councilmember L. C. Metzner agrees the Kodiaks team members are inspirational. The Cultural Trail is nearing completion. The Mural of Unusual Size has begun. Viewers can watch the painting live on The Herald Mail's website. He thanked the Herald Mail for streaming the work.

Councilmember P. D. Corderman recently attended a meeting in the north end with Councilmember Aleshire and Mayor Bruchey. From the opinions expressed at the meeting, there is opposition to a tax increase.

Councilmember K. B. Aleshire is looking forward to representing the City on the ESAP meeting. He agreed there is opposition to the tax rate increase. He attempted to help people understand the financial position of the City. Funding has not been raised for placement of the George Washington monument and the grants may have to be returned. He suggested contacting the County Commissioners to see if they would be interested in assisting financially with the monument. If there is not joint participation, he would not support it.

Councilmember E. Keller noted the sign for Brooke's House was unveiled today. Brooke's House is a sober living facility for women. She attended the production of Seussical by the Barbara Ingram School for the Arts. It was very good.

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 6:55 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

14TH SPECIAL SESSION, WORK SESSION, AND EXECUTIVE SESSION
2017

MAY 2,

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

Approved: June 20, 2017