

EXECUTIVE SESSION – August 22, 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 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, (Section 3-305(b)), 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)), and to consult with counsel to obtain legal advice; #7, (Section 3-305(b)), on Tuesday, August 22, 2017 at 3:03 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 E. Keller, Councilmember L. C. Metzner, Councilmember D. F. Munson, City Administrator Valerie Means, City Attorney Jennifer Keefer, City Attorney Jason Morton, Michelle Hepburn, Director of Finance, Eric Deike, Director of Public Works, Michael Spiker, Director of Utilities, Fire Chief Steven Lohr, Jill Thompson, Director of Community and Economic Development, Nathan Fridinger, Electric Operations Manager, Stephen Bockmiller, Zoning Administrator, and D. K. Spickler, City Clerk.

The meeting was held to discuss the City's legal services contract, a business proposal for an alternate use for a property, 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 4:24 p.m.

WORK SESSION – August 22, 2017

Mayor R. E. Bruchey, II called this Work Session and Executive Session of the Mayor and City Council to order at 4:34 p.m., Tuesday, August 22, 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.

It is noted that the agenda order was changed to accommodate the number of guests present at the meeting.

Proposal for "Thomas Kennedy Park" on Portion of Massey Property

Rodney Tissue, City Engineer, Rabbi Ari Plost, and Monda Sagalkin, President, Congregation of B'nai Abraham, were present to discuss a public park to honor and recognize Thomas Kennedy. Toby Mendez, Sculptor, and Tom Riford were also present.

As directed at the July 18, 2017 Work Session, Mr. Tissue met with representatives from the group proposing a park that honors Thomas Kennedy. They negotiated the

construction costs responsibilities and have drafted an agreement for the Council's review.

The total construction cost is approximately \$ 330,000.00. Staff proposes the City make the following contributions toward the project:

Phase 1 (Planning and Fundraising August-December 2017):

1. \$ 5,000.00 toward artist fee and maquette preparation – current Public Art CIP
2. \$ 4,000.00 toward engineering and surveying – FY 18 Engineering Operating budget

Phase 2 (Construction, approximately summer of 2018):

1. \$ 7,000.00 for installation of concrete foundations and slab by City staff – FY19 CIP for project
2. \$ 3,000.00 to remove existing tree - FY19 CIP
3. \$ 6,000.00 for landscaping – FY19 CIP
4. \$2,000.00 for electric service – FY19 CIP
5. \$7,000.00 for irrigation and connection to existing water service – FY19 CIP
6. \$ 5,000.00 for sidewalk to connect to library parking lot – FY19 CIP

The group is establishing a 501(c)(3) organization called the “Thomas Kennedy Center” that will raise the funds for all additional project costs not specifically listed here, which is estimated to be \$ 300,000.00 +/- and includes the plaza, granite benches, and sculpture installation.

Councilmember Aleshire wondered why the tree needs to be removed. Mr. Tissue indicated it is not a quality tree and it has a lot of high roots. Part of the project includes replacing the tree with more trees of better quality.

It was the general consensus of the Mayor and City Council to approve the concept plan for the park. Formal action will be scheduled for approval on the August 29, 2017 Regular Session agenda.

### Preliminary Agenda Review

A Goal Setting Retreat is scheduled for August 29, 2017, beginning at 12:30 p.m. Mayor Bruchey noted an Executive Session will be scheduled for August 29, 2017 at 6:30 p.m.

Introduction of an Ordinance for the Quit Claim at the Hagerstown Rescue Mission will be added to the August 29, 2017 agenda.

### **Consent Agenda**

A. Community and Economic Development:

1. Open Container Law Exemption Application-Permit – Hagerstown Hopes  
visibiliT – September 9, 2017

B. Information Technology and Support Services:

1. Renewal of ESRI GIS Software Support – ESRI (Redlands, CA) \$ 35,000.00

C. Utilities:

1. Wastewater – John Deere Excavator – JESCO (Baltimore, MD) \$ 95,033.40
2. Wastewater - 12 Ton Cam Trailer – JESCO (Baltimore, MD) \$ 12,050.00
3. Wastewater – Submersible Grinder Pump – Fluid Solutions, Inc. (Westminster, MD) \$ 47,440.00
4. Wastewater – SCADA Upgrades and Modifications – Optimum Controls Corporation (Reading, PA) \$ 30,000.00
5. Wastewater – Preliminary Engineering Work for Bypass at the Effluent Chamber – GHD (Bowie, MD) Not to Exceed \$ 18,000.00

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

**Approval of an Agreement: Hagerstown Ice Amateur Athletic Association to Use the In-Line Rink at Fairgrounds Park**

Rodney Tissue, City Engineer, presented an agreement for the Mayor and City Council's review with the Hagerstown Ice Amateur Athletic Association (HIAAA) to establish an in-line league as was discussed in March, 2017. Mr. Tissue reminded the group that the Washington Capitals are investing in the in-line rink and the development of an in-line hockey league. The Hagerstown Police Athletic League (PAL) has priority scheduling rights to the in-line rink but the two groups have agreed to work together to get as much use on the rink as possible.

Highlights of the agreement include:

1. Term through June 30, 2019
2. HIAAA may charge players a fee to be in the League and will endeavor to develop scholarships for under-privileged youth
3. They are allowed to sell dasher board advertising
4. There is no significant cost to the City to run this program.
5. The City will use the rink for two recreation events per year.

The in-line rink will be ready as soon as the contractor finishes the score board. A grand opening will be scheduled at that time.

**Approval of Maryland Department of the Environment (MDE) Grant for Energy Water Infrastructure Programs at the Wastewater Treatment Plant**

Michael Spiker, Director of Utilities, and Joe Moss, Wastewater Operations Manager, were present to inform the Mayor and City Council of a new grant funding opportunity available through the Energy-Water Infrastructure Program (E-WIP). Staff reviewed the funding application and requested consideration of funding to Maryland Department of

the Environment (MDE). In the funding application, a request was made for grant funding in the amount of \$ 82,000.00. Staff was notified of approval of the total grant funding request.

Utility Department staff is recommending Mayor and Council approval of the MDE grant in the amount of \$ 82,000.00 for the replacement of fifteen OAB Deck motors with Premium Efficiency Motors. Collectively, these improvements will reduce long term energy costs approximately \$ 6,000.00 per year and improve system reliance.

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 August 29, 2017.

Catalyst Project #3 – Request for Proposals (RFP) for Developer/Partner for USMH Student Housing Project

Jill Frick Thompson, Director of Community and Economic Development, and Kathleen Maher, Director of Planning and Code Administration, were present to review a draft Request for Proposals (RFP) for a Developer/Partner for the USMH Student Housing Project as part of Catalyst Project #3 – University System of Maryland at Hagerstown (USMH) Expansion Support. Mark Halsey, Executive Director of USMH, was also present.

The City intends to facilitate the development of a second, model student housing project in partnership with USMH and a developer/partner.

USMH will market the units to students and provide names of students interested in renting to the developer/partner. The City will provide an incentive package for the project using:

1. Community Legacy Grant - \$ 200,000.00 grant awarded to the City of Hagerstown. The City may award the \$ 200,000.00 grant fund to either a single project or to multiple projects by distributing the funds based on project scale.
2. Partners in Economic Progress (PEP) Program – real estate grant-back applicable to Year 1 through 5.
3. Additional incentives through PEP Program – waiver of fees, fast tracking, two free EDUs, parking for first 5 years.

USMH and the City will together guarantee 100% of the monthly rent for each student unit for which no rent was collected for a maximum of 5 student units each year for the first two years following occupancy. The maximum financial exposure to the City based on assumed rents and 0% occupancy is estimated high at \$ 30,000.00 per year. After the Rent Guarantee Agreement, the student housing arrangement with USMH may be extended without the guarantee provided USMH and developer/partner remain satisfied.

The second model project must be a property located within the CC-MU zoning district and/or the Priority Area displayed on the map of USMH Student Housing Project

Area. The target date for delivery of unit in the first year is March 30, 2019, and the target date for delivery of units in the second year is March 30, 2020. The March target delivery dates provide the opportunity for visual inspection and touring by prospective student tenants. The Rent Guarantee does not take effect until August 1 of each year. The units may be of various sizes and bedroom configurations, however a higher percentage of studios and one-bedroom units are preferred. Units will be renovated to the City's Partners in Economic Progress (PEP) Program standards. The Project will require the installation of a sprinkler system if the building does not contain one. The Project must include exterior door locks, dusk-to-dawn lighting and security cameras for each exterior door; secured vestibule/mailbox area; intercom on the exterior of the building and door release system for each unit. Properties located in the CC-MU area, but outside the Priority Area must provide off-street parking for the residents.

Interested developers/partners will submit a proposal that will be reviewed using selected criteria for review. Additional consideration will be given for any proposal that also proposes the acquisition of a City-owned property through the City's Competitive Negotiated Sale (CNS) process.

The goal of Catalyst Project #3 – USMH Expansion Support is to support the growth of USMH from 500 to 750 students, and to support the addition of facilities for new educational programs including the possibility of culinary arts, tourism and hospitality programs. Over a 10 year period, it is envisioned that student housing opportunities will be captured downtown through three upper-floor renovation projects creating a total of 12 units to house 24 students. This first, model project is seeking to create 4 units to house 8 students.

Mr. Halsey anticipates 50% of the students will be outside a driving area to attend USMH and will be looking for housing. The target area has been extended to the Walnut Street property because there will be new USMH programming there.

Councilmember Metzner wondered if the building at 170 W. Washington Street could be a possibility for student housing. He suggested providing an incentive for anyone looking at using that property for this proposal.

Mayor Bruchey stated Secretary Holt, Department of Housing and Community Development, will be visiting Hagerstown next week. This will be a good project to highlight to Secretary Holt.

Authorization to publish the RFP will be included on the August 29, 2017 Regular Session agenda.

### 2018 Blues Festival Discussion

Jill Frick Thompson, Director of Community and Economic Development, and Lauren Metz, Community Events Coordinator, were present to review recommendations and options for the 2018 Western Maryland Blues Festival. Eric Deike, Director of Public Works, and Jim Bender, Assistant City Engineer, were also present.

The Blues Fest was held for the 22<sup>nd</sup> year in 2017. Much appreciation is given to the countless hours of work by event committee members and volunteers. The generous support of the many event sponsors is also recognized. The City of Hagerstown greatly appreciates the leadership of Carl Disque and Julie Donat. Their commitment and dedication to the longevity of the Blues Festival and to the community of Hagerstown has been exceptional.

The Blues Festival has evolved in its 22 years, and the following provides some factors and rationale for recommending significant changes to the 2018 event:

1. Resignation of the long-standing Founder/Chair and Co-Chair of the Blues Festival.
2. Resignation of the Fundraising Chair.
3. Loss of major sponsors.
4. Capacity of the committee to fill key volunteer vacancies and skill areas.
5. Financial performance of the event. The event is budgeted to break even, but the event has performed at a financial loss. The Fiscal Year 2018 budget cannot sustain a loss from the event.
6. Range of new challenges that presented difficulties and increased expenses in 2017.
7. Demands of the Urban Improvement Project and expected significant community fundraising efforts for the Maryland Theatre a part of this project.
8. Scheduled vacancy in the Community Events Coordinator position and changes in staff in that position during recent years of the event.
9. A growing number of regional/national Blues Festivals and market competition.
10. Competing events on the same June weekend.
11. Re-evaluation, reconfiguration, and/or retirement are often a part of the evolution of long-standing festivals and events.

The staff team presented the following options:

1. Option 1 – Take the 2018 year off and reconfigure to a modified or new event for 2019. This would provide time to rebalance resources and recognize the City's budget challenges. It provides time to address the events financial performance in recent years and time to address the vacancy in the Community Events Coordinator staff position. A potential change in location connected with the goal of programming the new Cultural Arts Trail could be assessed. Taking 2018 off also avoids the risk of a lesser quality of the event that does not meet customer and sponsor expectations due to inadequate lead time.
2. Option 2 – Take a year off from the major festival, but present a new, smaller scale event on the same weekend in 2018. The concept is a new, smaller-scale event with a rebranded name that would take place on the same weekend as the historical date of the Blues Festival. The recommendation is an event that is free and open to the public in the format of the Thursday night event at Blues Fest.

The staff team is not recommending using the Central Parking Lot for a modified, smaller-scale event in 2018. Once the Central Parking is used as a venue, the event becomes a larger-scale event in the terms of setup, necessary equipment and logistics. The staff team has some concerns about presenting a new event primarily given the lead time necessary to produce a quality event, and the staff vacancy.

Additionally, the City's event staff position will have a role in the Local Organizing Committee for the 2018 and 2019 USA Cycling Amateur Road National Championships – a new event for July 2018.

Ms. Thompson stated Ms. Metz has done an outstanding job as Events Coordinator. She will be transitioning to a new position beginning in September.

Ms. Thompson noted one of the main differences between Blues Fest and Augustoberfest is that Augustoberfest is a separate corporation. The Augustoberfest corporation operates outside the City's budget so neither a loss or profit has an affect on the budget. Blues Fest is an event within the City's budget, with several line items for the event.

Ms. Metz pointed out there are two free admission days for Blues Fest. However, there are still costs for these days. Food and beverage sales are available during those days. Some vendors have dropped out and the City has had to cover for the loss of vendors to provide food and beverage sales.

Mr. Deike has been involved with the logistics portion of Blues Fest for 17 years. It will be difficult to overcome the obstacles and keep the event the same as it has been.

Mr. Bender pointed out that planning has to begin immediately for any type of event for 2018.

Councilmember Metzner thinks Option 1 is the best plan. The City has received national recognition for Blues Fest and will continue to receive national recognition for bike events. Blues Fest has been phenomenal since the beginning. With the challenges presented, it is time to regroup. He thinks any reconfigured or modified event should be patterned after Augustoberfest.

Councilmember Keller is disappointed that modifying the Blues Fest is being considered. It is one of the two largest events on the East coast. Cancelling the event will be detrimental to the community. She believes people in the community who are passionate about blues music will come forward to keep the event going.

Councilmember Metzner stated when the most pivotal people aren't involved anymore and sponsorships are reduced, it is difficult to continue an event like this. Carl Disque approached the Mayor and Council years ago about Blues Fest and took the lead on every aspect of the event.

Ms. Means agrees that this type of event requires leaders who have a passion for the music. Staffing for events is limited and there aren't enough financial resources to put together the same type of event.

Councilmember Metzner pointed out Blues Fest has grown over the years. Maybe an event incorporating all types of music would be successful.

Ms. Means indicated this is a possibility. She is concerned that intending to keep Blues Fest the same will not be successful. If the event doesn't happen as planned, it could be seen as a failure.

Ms. Thompson reported the Blues Fest committee met in July and they all agreed that trying to present the event without ample planning could be a disappointment to customers and sponsors. Ample time is needed to ensure a quality event.

Councilmember Keller asked if anyone knew the chair and the co-chair were stepping down. Mayor Bruchey indicated they resigned at the end of this year's event. Councilmember Keller wondered if other events will struggle if the volunteers resign. She stated there needs to be a plan for continuing events. Ms. Means pointed out succession planning for volunteers is not possible.

Mayor Bruchey thinks a festival of some sort should be held next year. Music could be local talent and one headliner. The budget includes City services for many events, knowing there won't be a profit for City services. When the cost of City services is included in the Blues Fest financial report, it appears that the event operates at a loss. City services should not be included in the report of revenue and expenses.

Ms. Means stated the event is intended to break even. There is about \$ 50,000.00 that could be used toward a future event.

Mayor Bruchey suggested planning a smaller festival with a lower cost ticket. He believes attendance will be higher with lower fees.

Councilmember Metzner suggested working with the Maryland Theatre to coordinate a festival. A headliner could perform on Saturday night and other events could take place on Friday and Sunday.

Mayor Bruchey agreed that an event needs to be held so that the momentum created after 22 years isn't lost.

Councilmember Aleshire reminded the group that one of the catalyst projects is increasing the number of events to increase interest in downtown. Discussing not holding a long standing event is the opposite of the priorities established with the Community's City Center Plan. He would feel the same about any community amenity. The cost of admission to the Blues Fest has increased over the years, which may have caused lower attendance.

Councilmember Aleshire thinks there would be other volunteers within the group that could put together next year's event. Other communities having events at the same time isn't a good reason to change the City event. He doesn't think the Central Lot location is as open and inviting as having the event in the streets. Changes to the event may make it more successful and manageable. This will have to be decided within the next 2 months.

Councilmember Keller asked if last year's MC Joe Boyd has been contacted about his possible interest in leading the committee. Ms. Metz indicated a contact has been made but has not been returned yet.

Ms. Means stated the key to the success of the event is the person who knows the music and has the connections to the musicians. If the Council says to include another \$ 100,000.00 for the event in the budget, then sponsorships would not be needed. At this point in time, neither of these items has been decided.

Mayor Bruchey stated the cost of the talent hasn't increased significantly; however the cost of insurance and supplies has increased. As the admission price has increased, attendance has decreased.

Mr. Disque and the Blues Programming Committee started booking the acts in October of each year. City staff was not involved in this process. Most of the fundraising was completed by the Blues Fundraising Committee. City staff assisted with this function.

Mayor Bruchey stated it needs to be determined what the City can afford, without relying on sponsorships. An event should then be created around this number. The volunteer component is a key part of the equation as well. He hopes people will continue volunteering.

Councilmember Aleshire suggested discussing the future of Blues Fest with the committee to determine the level of commitment from the remaining members. The group should determine what can be accomplished by restructuring the event. The options identified would then be discussed with the Mayor and Council at a Work Session.

Ms. Thompson will take this information and question to the committee. She clarified that a majority of the Council is looking at a variation of Option 2.

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

*Valerie Means, City Administrator*, reminded everyone that Augustoberfest is being held August 26 and August 27, 2017.

#### **MAYOR AND COUNCIL COMMENTS**

*Councilmember D. F. Munson* stated the loss of Blues Fest would be a disaster for the community.

WORK SESSION AND EXECUTIVE SESSION  
2017

AUGUST 22,

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

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

*Councilmember K. B. Aleshire* had no additional comments.

*Councilmember E. Keller* had no additional comments.

*Mayor R. E. Bruchey, II* encouraged everyone to attend Augustoberfest.

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 5:47 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: September 26, 2017