

WORK SESSION AND 44TH SPECIAL SESSION – June 5, 2018

Mayor R. E. Bruchey, II called this Work Session and Executive Session of the Mayor and City Council to order at 3:01 p.m., Tuesday, June 5, 2018 in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, A. Heffernan, E. Keller, S. McIntire, and L. C. Metzner, City Administrator Valerie Means, City Attorney Jennifer Keefer, and City Clerk D. K. Spickler. The following members of the Board of County Commissioners were present: President Terry Baker, Vice-President Jeff Cline, Commissioner Wayne Keefer, Commissioner Leroy Myers, County Administrator Rob Slocum, and County Clerk Vicki Lumm.

Mayor Bruchey welcomed the Commissioners and hopes quarterly meetings can be scheduled between the two elected bodies.

Councilmember Metzner stated there will always be things to discuss between the two groups. However, the Urban Improvement Project is a unique partnership for the community. He appreciates the support and assistance of the Washington County officials.

Councilmember Aleshire distributed information that he has gathered showing what each municipality spends on public safety, including per capita information. The chart shows Hagerstown provides a much higher per capita amount to provide this service to residents. The County is second to the City. The only jurisdiction in Maryland that is required to provide fire service is Baltimore County. There are four municipalities that have chosen to provide a paid fire service, including Hagerstown.

The average City taxpayer pays \$ 1,200 toward fire service. Of all the municipalities, only Hagerstown provides funding toward the Combined 911 center. City taxpayers pay 25% higher than their County counterparts for that basic service.

He provided a chart showing a summary of how funds are distributed by the Washington County Fire and Rescue Association. He pointed out the volunteer fire stations within the City limits are treated significantly different than other municipalities. If they were treated the same, the City would receive \$ 823,000 from the County for public safety. The City pays \$ 400,000 toward the Combined 911 service. If the first due area for Hagerstown companies would be reduced, it would reduce expenses by \$ 400,000. More and more often the City paid fire service units respond outside the City limits. This amount equals \$ 200 to \$ 300 per household. He is not saying this needs to be accounted for in the tax differential. His expectation, in moving forward, is that the paid portion of the fire service provided by Hagerstown responding outside the City would trigger compensation. He does not want to consider giving up the City's paid fire system. When Frederick transferred their paid system to Frederick County, it was costly; however, the City of Frederick immediately saved \$ 12.5 million. His recommendation is

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to discontinue paying the \$ 400,000 the City provides to the Combined 911 service and discuss a fair distribution to the volunteer companies within the City limits. If the County is not interested in pursuing a paid fire service, then the differential formula and calculation needs to be discussed.

Mayor Bruchey noted that, in 2009, when the Combined 911 center was created, it combined City and County dispatchers. The City was required to cover the cost for nine employees who became part of the system. For nine years, those former City employees have dispatched police and fire calls all over the County, not just within the City limits. The City is essentially paying to dispatch services to other municipalities. In 2012, the Mayor and City Council approved reallocation of the \$ 400,000 paid to the 911 center to downtown projects, specifically for a multi-use center. There are downtown projects occurring continually. The City appreciates the commitment from the County to help with these projects. The City's real estate tax rate was raised this year in order to provide funding for investing in the improvement of the City.

Commissioner Myers asked what impact the tax assessment decrease had on the City's revenue. Councilmember Aleshire noted the tax rate increase created a rather small change in the total taxes paid by taxpayers. The average increase will be \$ 12.00 to \$ 15.00.

Commissioner Myers asked if Councilmember Aleshire's chart includes population numbers for the other municipalities. It was clarified that it does. Councilmember Aleshire stated Boonsboro has two stations in the reimbursement calculation while the City has one, which is divided between six stations. The City stations do not have access to the testing facility or utility reimbursement that other stations do.

President Baker stated it is appropriate to provide this information to staff and volunteers to review. He believes there will be rebuttal of some of the information.

Councilmember Aleshire stated the Commissioners don't make the decision about the amounts allocated to the volunteer stations, the Washington County Fire and Rescue Association does.

Councilmember Heffernan pointed out that the City does not receive any funding assistance for ladder testing, vehicle maintenance and other services.

Councilmember Metzner stated there should be a reimbursement to the City's paid service when a company responds to a call outside the City limits. He reminded everyone that City residents are also County residents.

Councilmember Keefer thanked Councilmember Aleshire for his diligence in providing the cost and allocation information. He would like to review the information in depth before making any recommendation. However, he would like to incorporate City companies into the testing and maintenance programs.

Mayor Bruchey asked for an explanation of the calculation used by the County in 2010 to provide a tax differential of 12.5 cents per hundred dollars of assessment. Mr. Slocum stated staff reviewed the process and determined that the City and County chief financial officers met to discuss the calculation. They deemed the 12.5 cents was an appropriate differential. He is requesting a review of the calculation in order to have an equitable differential.

Councilmember Aleshire has a copy of the report, which stated the City provided above and beyond necessary service. The differential should be reviewed because operations have changed during the last 8 years.

Mr. Slocum would like to meet with Ms. Means and staff to review the differential information. The differential was appropriate at the time. He noted there are many positions associated with the 911 center, including members of the Hagerstown Police Department and the Washington County Sheriff's Department. Even though the \$ 400,000 from the City helps with funding for the center, it does not begin to cover the total amount. If there is not a cooperative relationship both in and out of the City, there is a problem.

Councilmember Metzner pointed out that the paid City firefighters are not required to respond to call outside the City limits. He is concerned that a majority of City paid firefighters also volunteer at other stations, potentially causing fatigue for the firefighters.

Councilmember Aleshire stated volunteer stations have a commitment to cover their first and second due areas. He noted that other municipalities have police service that is dispatched from the 911 center. They don't have paid fire service.

The group then discussed blighted properties and their impact on property values and quality of life for residents. Many of these properties are on the tax sale list but no one purchases them. Therefore, they sit empty, with no property maintenance. The City has been looking at ways to abate or waive a portion of fines and liens levied on the properties to make them more appealing to buyers. Councilmember Aleshire stated the Mayor and City Council and staff are asking the County for the same expeditious approach for waiving fees so the properties can be sold, renovated, and re-occupied.

Mr. Slocum and other County staff have met with Ms. Means and City staff to discuss possibilities for these properties. One concern is that the party receiving the waiver would purchase the property to avoid the fines. Ms. Means stated staff has reviewed new legislation and how it might assist with this issue.

Commissioner Keefer suggested that the Commissioners meet with County staff to discuss possibilities. Perhaps an additional incentive could be implemented, such as tax breaks for a period of time to new owners.

Councilmember Aleshire pointed out that the City has offered incentive programs for renovating properties. He would support increasing incentive program funding to \$ 1

million next year. The impact on property assessment from these programs won't be known until the next reassessment.

There were no other joint discussion topics.

Cell Tower Appeal

Jennifer Keefer, City Attorney, was present to discuss the Mayor and City Council's direction on the appeal of the cell tower at North Hagerstown High School.

A neighboring individual has sought a judicial review regarding the Board of Zoning Appeals' (BZA) decision to allow the cell tower. State code requires certain administrative duties from the parties. Ms. Keefer has not entered a filing on behalf of the BZA yet. She asked for permission to do at least that filing for the BZA. The City has standing to participate in the review by virtue of the State code. If the City does not file at this point, they lose the ability to be heard at any future hearing, no matter whether or not the ultimate decision is beneficial for or adverse to the City. The Board's ability to participate meaningfully is unclear. An unfavorable decision cannot be appealed to the Circuit Court.

Councilmember Aleshire asked if the absence of participating opens the City to some form of financial liability, such as causing undue hardship or loss of revenue for the cell tower company. Ms. Keefer is not aware of a financial ability. Councilmember Aleshire has not agreed with the determination of the cell tower classification from the beginning. He is not sure he wants to participate for a reason he doesn't agree with.

Councilmember Metzner believes the City is in a better position with being an interested party than if they had filed an appeal. Councilmember Aleshire questioned how the Mayor and City Council can enter a position that is in opposition to what the BZA decided.

Ms. Keefer recommended discussing the substantive reasons of what can be filed and why they can be filed in closed session.

Councilmember Aleshire stated he would agree if the topic had not already been discussed for some time in open session.

Councilmember Metzner stated the Mayor and City Council's standing allows them to express their opinion without being a part of the appeal, and not being estopped to do anything.

Councilmember Keller does not think the Mayor and City Council should be involved in the appeal against the BZA.

Councilmember Metzner pointed out that three Councilmembers have publicly expressed their opinion that the decision made by the BZA was wrong.

Councilmember McIntire stated it appears the Mayor and City Council would be taking a position against themselves.

Councilmember Heffernan thinks the opinion expressed by the majority is that they want the right to be involved. They may not need to express an opinion.

Councilmember Metzner pointed out if the City does not file by the deadline; the opportunity to express an opinion is lost. The Mayor and City Council could file and then defer providing an opinion if something warrants it.

Councilmember Aleshire does not think the same attorney should file opposing City opinions.

Mayor Bruchey suggested allowing Ms. Keefer to enter the filing for the Mayor and City Council as an interested party to gain access to the court documents. If the Mayor and City Council are not entered as an interested party, they won't receive any of the information.

Councilmember Keller and Councilmember Aleshire don't agree. Councilmember Aleshire is not interested in the City Attorney representing the BZA in this case.

Councilmember Heffernan, Councilmember McIntire, and Councilmember Metzner agreed to have Ms. Keefer file on behalf of the BZA and the Mayor and City Council.

Ms. Keefer left the meeting after this discussion.

Main Street Hagerstown Program Update

Amanda Whitmore, Downtown Coordinator, and members of the Main Street Hagerstown group were present to provide an update on the Main Street Hagerstown program.

Currently, there are over 110 volunteers on the volunteer email list and over 2,250 followers on the Facebook page, and growing. In fiscal year 2017, these volunteers contributed 710 hours to improving the downtown and have already donated over 400 hours in FY 18. In the past six months the following has been accomplished:

1. Planning and executing two successful events: Chriskindl Markt and Sweets on the Street
2. Creating Downtown Business kits for existing businesses to get to know Main Street
3. Organizing spring flower plantings with City staff
4. Creating a #MyDowntownHagerstown pass, available during Blues Fest and other major events

Monika Wertman, Chair of the Organization Workgroup, reported the group has been assisting with the creation of new Main Street Events, participated in a leadership

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planning retreat to set new strategic goals for Main Street, and established and built a social media presence on Facebook, Twitter, and Instagram. They have organized annual volunteer recruitment events and created a new website to complement the City's and to help visitors, residents and business owners quickly find information.

Sean Griffith, Chair of the Clean, Safe and Green Workgroup, stated the group organized street cleanups and fall and spring planting days along East Franklin Street, partially assisted by a \$ 5,000 Keep Maryland Beautiful grant. Anti-litter bookmarks and postcards were created. They advocated for adding benches to Public Square and updating lighting to brighter LED lights. The group worked with the City's Engineering staff to bring combined recycling/trash containers to the Main Street area. The group also maintains a presence at the annual National Night Out event.

Aaron Peternaecz, Chair of the Design Workgroup, reported the group is working to redesign the street pole banners in the Main Street area. They have designed and installed signage on 53 N. Potomac Street to help brand the downtown as a Main Street community. A "Smartphone Phone Tour" of the downtown has been organized in order to call attention to the existing architecture of the downtown. Window scrims have been installed on several vacant storefront windows.

Paul Frey, Chair of the Business Relations Workgroup, stated monthly downtown business owner forums have been re-established for downtown businesses to network and hear from a different presenter each month. Two new incentive programs were created, supported by a \$ 15,000 grant from the Maryland Department of Housing and Community Development: a Pop-Up Ready program and Professional Walkthrough Service. Funding for these programs expired in May, 2018. The group established ambassador visits to welcome new businesses to the Main Street Area when they first open as well as to let existing businesses know more about Main Street Hagerstown. Focus groups were held with downtown businesses and consumers. The group worked with city staff to brand and promote the 1GB internet fiber opportunity in the downtown as a business recruitment marketing strategy.

Ms. Whitmore reported the Promotions Workgroup assisted with creating graphics for events, and created Facebook graphics and posters featuring a series of "love where you..." sayings. They also developed a branding packet for Main Street Hagerstown and designed the logo, brochure and business cards.

Councilmember McIntire thanked the volunteers for their efforts. She stated the appearance of downtown is improving with the signs and plantings.

Daily Use of BuroBox Conference Room

Amanda Whitmore, Downtown Coordinator, was present to discuss a proposed recommendation to make the Conference Room at the BuroBox available for daily rental by non-members. Currently, the conference room is available only to members of the BuroBox as part of their membership fee.

Details of the recommendation are as follows:

1. Fee of \$ 135 for half day of use by for-profit business
2. Fee of \$ 75 for half day of use by non-profit business
3. Use of space is 100% self-guided, no staff support will be on-site
4. Potential renter will apply online or at DCED's office and provide check at time of reservation
5. Reservation must be made at least two weeks in advance of use
6. Renter will pick up and drop off key at DCED
7. Renter will be given link manual on how to use any of the equipment in the conference room.

Ms. Whitmore noted the recommended fees are based on the rent charged at other, similar sized conference rooms in the area. Additionally, the rental fee takes into consideration that the room is equipped with very nice teleconferencing equipment.

Councilmember McIntire stated the Martinsburg Hub office charges substantially more than the recommended fees. Ms. Whitmore stated the Hub offers other amenities the City is not able to provide.

Councilmember Heffernan recommended providing information for catering possibilities from downtown restaurants as well.

It was the general consensus of the Mayor and City Council to move forward with the recommendation for daily rentals of the BuroBox.

IAFF Local 1605 Labor Contract Approval

Scott Nicewarner, Director of Technology, Communications, and Support Services, and Wendy Nussbaum, Director of Human Resources, were present to report that the City's negotiating team has reached an agreement on a new contract with the International Association of Firefighters Local 1605 (IAFF). This collective bargaining agreement has been ratified by the union's membership on May 31, 2018.

The major terms of the agreement are summarized as follows:

1. Term of four years from July 2, 2018 through June 30, 2022
2. Pay scale will compress from a 23 step to a 15 step scale on July 1, 2018. The position of Captain will now be in the bargaining unit, and their pay scale will transfer from the MG scale as of July 2, 2018. A contract re-opener specifically on wage & benefits may only be requested before June 30, 2020.
3. Several additional health screenings have been added to the fitness for duty physical examination process for each member. A tiered system has also been established where members under 30 years of age will be examined every three years; between 30 and 40, every two years, and over 40, annually. A cardiac stress test will be required every year for all members.
4. The resolution to a previous Union grievance negotiated between City and Union in the Fall of 2017, where there were not adequate lave slots for all

members to be able to take their provided leave per their years of service, has been placed in the contract.

The cost to compress the pay scale from 23 steps to 15 steps is \$ 247,000.00, all of which is within the FY19 budget forecast and expended for out of the General Fund.

There are minor wordsmithing redlining remaining that do not change materially the tentative agreement that will be worked out between the parties before final printing to ensure clarity.

Mr. Nicewarner thanked everyone involved in the negotiations. He believes a fair and equitable agreement has been reached.

Councilmember Metzner supports this contract and views it as the first step in beginning to figure out how to pay for the paid fire service.

It was the general consensus of the Mayor and City Council to place approval of the contract on a Special Session agenda on June 19, 2018.

Non-union Employee Step Increases and Addition of Step 14

Wendy Nussbaum, Director of Human Resources, and Michelle Hepburn, Director of Finance, were present to discuss non-union employee step increases and the addition of Step 14.

As discussed during budget deliberations, the employee Wage Adjustment History Chart summarized historical wage adjustments and proposed in the FY19 budget a step increase for non-union employees and the additional step 14 in the non-union pay scale. The dollars associated with these were included in the FY 19 budget as approved by the Mayor and City Council on May 29, 2018.

As the next step after budget approval and negotiations with the last of the City's multi-year union agreements, staff recommends formal action by the Mayor and City Council for a step increase for all eligible, full-time, non-union employees. Eligible employees must have been employed for six full months and must hold full-time status on any non-union Munis pay scale.

Retaining a positive and motivated staff is vital to an organization's success. Employees are more likely to remain in positions when pay rates are commensurate with their experience, abilities, and seniority. Staff would also like to recommend formal action for the expansion of the non-union pay scale by adding a Step 14. The addition of a Step 14 will capture those long term, loyal employees who have not had a step adjustment in several years.

The following salary adjustment proposal was made:

1. July 2, 2018 for one step increase for all full-time, non-union employees.

2. Beginning July 1, 2019, all full-time, non-union employees will advance an additional step on their anniversary dates.

The budgeted costs associated with these adjustments are reflected across all funds.

Councilmember Aleshire expressed his concern that this appears to be a request for the Mayor and City Council to approve a multi-year plan for non-union employees that he would normally vote on as a contract.

Councilmember Metzner pointed out this is different from a contract in that if it is not affordable next year, it is not included in the budget.

The average increase for non-union employees with this proposal is 3%.

It was the general consensus to include approval of this proposal on the June 19, 2018 Special Session agenda.

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On a motion duly made by Councilmember E. Keller and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote to meet in Special Session at 5:06 p.m.

On a motion duly made by Councilmember E. Keller and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote to approve an exemption from the City Code, Chapter 155, Noise. This exemption is being granted in accordance with Section 155-5, M. to Foster's on the Point (1437 Salem Avenue) for an event on Sunday, June 10, 2018 from 2:00 p.m. to 8:00 p.m.

The Special Meeting was then closed.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator, had no additional comments.

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Councilmember S. McIntire had a good time at the Blues Fest last weekend. She thanked City staff and the volunteers who worked hard to make this event successful.

Councilmember L. C. Metzner thanked staff for their efforts with Blues Fest. Even though there will be challenges with downtown traffic for some time, the end result will be worth it with the completion of the Urban Improvement Project.

Councilmember A. Heffernan agreed that City staff did an excellent job with the Blues Fest.

Councilmember K. B. Aleshire had no additional comments.

Councilmember E. Keller had no additional comments.

Mayor R. E. Bruchey, II thanked City staff and the volunteers who helped with the Blues Fest. He thanked Governor Hogan for visiting Hagerstown and spending time in Western Maryland. He stated he was remiss in not mentioning Saturday that the City Administrator, City Engineer, and Planning staff attend Urban Improvement Project meetings regularly. He attended the “We the People” contest at Potomac Heights earlier today.

EXECUTIVE SESSION – June 5, 2018

On a motion duly made by Councilmember A. Heffernan and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote 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)), on Tuesday, June 5, 2018 at 5:11 p.m. in Room 407, 4th floor, City Hall, Hagerstown, Maryland.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember K. B. Aleshire, Councilmember A. Heffernan, Councilmember E. Keller, Councilmember L. C. Metzner, Councilmember S. McIntire, City Administrator Valerie Means, Jill Thompson, Director of Community and Economic Development, Mike Fitzgerald and Joe ?, Gideon Properties, and Donna K. Spickler, City Clerk.

The meeting was held to discuss a business proposal from Mr. Fitzgerald. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the meeting was adjourned at 5:55 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: August 28, 2018