

Mayor R. E. Bruchey, II called this 56th Special Session and Work Session of the Mayor and City Council to order at 4:03 p.m., Tuesday, November 13, 2018 in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, A. Heffernan, E. Keller, L. C. Metzner, and S. McIntire, City Administrator Valerie Means, City Attorney Jason Morton, and City Clerk D. K. Spickler.

Work Session – November 13, 2018

Restoration of Big Six Bell

Ray Lushbaugh, Secretary, and Jerry Saum, Assistant Treasurer for First Hagerstown Hose Company, 33-35 South Potomac Street, were present to discuss the Big Six Bell. In October, 2017, the Mayor and City Council agreed to allow the group to investigate the possibility of reinstating the Big Six Bell.

They inspected the bell striker and found that it was rusted and seized up after sitting idle for 49 years. After oiling the striker repeatedly, and finding weights for its operation, they were successful and got the bell striker free. The bell was ringing again in June, 2018.

Mr. Lushbaugh stated the group would like to ring the bell three times at 5:30 p.m. each day. In order to do this, bell ringing equipment will need to be mounted in a cabinet on the fifth floor at City Hall. The equipment has been donated by the Tele Plus Cooperation in Hagerstown. The only thing needed to install the equipment is a 110 volt AC outlet on a separate circuit.

Mr. Saum indicated this will be the only Gamewell Bell in a tower in the country. It could be a big attraction for visitors.

It was the general consensus of the Mayor and City Council to allow an outlet to be installed.

Mayor Bruchey asked if the bell could be rung at midnight on New Year's Eve. Mr. Saum stated the bell could be programmed to ring at any requested time.

Proposed Revisions to the Hagerstown Code of Ethics

Jason Morton, City Attorney, and Rev. Stan Steele, Chairman of the Ethics Commission, were present to review proposed amendments to the City's Ethics Code. The City's Ethics Commission convened several times in consultation with the City Attorney to discuss revisions to the Hagerstown Code of Ethics which are mandated by a State law which was passed last year. The State law required that these mandatory revisions be adopted by the City on or before October 1, 2018. Accordingly, the Mayor

and City Council passed an ordinance amending the Code of Ethics on September 11, 2018, in a form and substance which was acceptable to the State Ethics Commission.

The Ethics Commission was scheduled to meet with the Mayor and City Council at the July 17, 2018 Work Session to review the State mandated revisions and other recommended revisions. Because there were no members of the Ethics Commission present for that Work Session, it did not get to discuss two other potential revisions, which are not mandated by the State's Ethics Commission. The first is a provision regarding gifts to officials and employees to include items won in raffles and similar awards. The second is providing (in some instances) for independent legal counsel to the Ethics Commission for proceedings which come before it. A draft of the proposed revisions were provided for the Mayor and City Council's review.

The Ethics Commission recognizes that unlike the State's mandatory revisions, the gift and legal counsel provisions are subject to discussion, revision or rejection by the Mayor and City Council. The Ethics Commission believes that the proposed gift revision will benefit the Commission itself, officials and employees, and the City as a whole as it provides guidance to Commission members and City officials and employees by defining what constitutes ethical conduct.

The revision regarding legal counsel tracks the language governing the City's Human Relations Commission in Section 82-2 of the City Code, and provides for independent counsel in those rare instances when the City Attorney cannot advise both the Commission and the official or employee before it.

Rev. Stan Steele, Chairman, thanked the Mayor and City Council for the opportunity to discuss these revisions. He had a pastoral emergency and was unable to attend the July 17, 2018 Work Session. He has served on the Ethics Commission since it was created and he noted the Code is continually reviewed. Other amendments have been made to the Code to address questions that have been referred to the Commission. None of the proposed amendments imply someone has done something wrong. The provision for raffles is not intended to restrict elected officials from taking part in community fundraisers or activities but rather to provide guidelines and parameters for these functions. He pointed out that elected officials carry that title with them, whether they are in a meeting or living their daily lives.

Councilmember Metzner understands what the Commission is saying in that participating in events could be questionable if the City provides funding to the organization. His problem is the Commission changing the definition of a gift. A gift is not a raffle or prize. If needed, a separate section could be added, but it should not be included as a gift. He is opposed to calling a raffle a gift.

Rev. Steele stated the Commission isn't saying don't participate. They are recommending that any winnings be given back or given to charity.

Councilmember Metzner pointed out he could take a tax deduction for the donation, which wouldn't be ethical.

Bill Breichner, Commission member, stated it makes a difference if the organization holding the raffle/fundraiser is one the City has control over. Councilmember Metzner pointed out that the City provides funding to a number of non-profit organizations, which would mean elected officials could not participate in raffles with these organizations.

Rev. Steele asked if purchasing a ticket and giving it to the organization would be agreeable to the Mayor and City Council.

Councilmember Aleshire suggested clarifying this item by stating gift excludes door prizes, raffle prizes, drawing prizes, and other similar awards of chance. It's a game of chance and there is no guarantee that the purchaser will get anything. He believes this language will clarify it for the Ethics Commission. He is not going to stop purchasing raffle tickets. He thinks it fits better as a definition of what a raffle is not rather than what it is. He does not support restricting elected officials from participating in games of chance.

Rev. Steele reported the consensus of the Ethics Commission is that it is not appropriate for the Mayor and City Council to play these games of chance with an organization they have influence over and potentially receiving a reward from it.

Councilmember Metzner wondered if there is an appropriate way to define organizations the City does business with. For example, there is a distinct difference between a union and a non-profit organization like the Community Free Clinic.

Rev. Steele stated the Commission also discussed the option of including a maximum dollar amount for potential prizes.

Councilmember Metzner pointed out a dollar amount might be good, but some organizations offer large prizes, with ticket prices at \$ 1,000 or more.

Mr. Morton represents both the Mayor and City Council and the Ethics Commission. He researched whether other municipalities have revised this provision in their Ethics Ordinances. He did not find any that had addressed this issue. The language in the ordinance mirrors the State mandated ruling from 2009. The Judicial Ethics Committee questioned whether or not a judge could accept a door prize he won. The Code of Conduct does not address prizes, which are essentially a gift from a vendor/group. In 2005, the State of Maryland determined employees would have to return any prize they won. The City Ethics Commission struggled with these questions as well. He was not present for the discussion as he recused himself because of representing both parties. He asked if the Mayor and Council support the suggestion of not including raffles, etc. within the definition of a gift. He also asked if they support prohibiting participation in games of chance.

Councilmember Aleshire noted the Ethics Commission is looking for clarity on games of chance and his suggested language provides that clarity.

Councilmember McIntire pointed out they have to trust that other organizations' ethics are in place as well and they are not choosing elected officials as winners.

Councilmember Keller thinks Councilmember Aleshire's recommendation is appropriate. She won during the Bonanza Extravaganza event and she does not think the well-respected organization would have manipulated their lottery machine just so she would win. Councilmember Metzner pointed out the ticket Councilmember Keller purchased was for admission to the event. It was not solely a raffle ticket. Councilmember Aleshire stated there are also other gaming activities during the event. He wondered if participating in those games would be acceptable.

Mayor Bruchey pointed out the fire union's bonanza is similar to a gun bonanza, with different gaming options available.

Councilmember McIntire pointed out it is important for the Mayor and City Council to support community events and many times a ticket is purchased to support the event and organization.

Tom Brown, Ethics Commission member, stated they need to also look at the possible distinction between groups the Mayor and City Council negotiate with and others like the Maryland Municipal League.

Rev. Steele noted that determination made by the Commission regarding the prize won by Councilmember Keller was not unanimous. The decision could have gone either way and that is why the Commission is looking for clarity.

Mr. Breichner stated the Commission's objective is to clarify the prize winnings so they have something to work with.

It was the general consensus to have the City Attorney draft an amendment to the Ethics Ordinance using the language suggested by Councilmember Aleshire regarding door prizes and raffles.

Rev. Steele stated the Ethics Commission has not recommended or endorsed this language. The Mayor and City Council can make amendments as they wish, with State Ethics Commission approval.

Rev. Steele discussed the other recommendation that legal representation be available for the Commission when warranted.

Councilmember Metzner supports including the availability of legal representation for the Commission. He suggested a cap be set that would not require further Council

approval. Mr. Morton believes there would be local, reputable attorneys that would represent the Commission at reduced or gratis rates.

Ms. Means asked if the cap should be specifically stated in the ordinance. Mr. Morton suggested noting the rate would be tied to the rate for the current City Attorney.

Mr. Morton will prepare a draft ordinance for further review based on the recommendations discussed.

Mr. Morton left the meeting.

#### Maryland Symphony Orchestra Presentation for FY2020 General Fund Agency Contributions

Stephen Beaudoin, Executive Director of the Maryland Symphony Orchestra (MSO), was present to provide an overview of the MSO.

The MSO is a professional, regional orchestra. They receive \$ 17,550 from the City of Hagerstown, which represents just over 1% of their operating budget. The majority of their revenues come from contributions. Other revenue is provided from ticket sales and events. They also receive income through the Maryland State Arts Council.

Funding from the City is used mainly to support concerts and educational programs. Mr. Beaudoin indicated the MSO is extremely grateful for the contribution from the City of Hagerstown but every year it buys less and less.

He hopes to see the Mayor and City Council at the opening of the new Maryland Theatre in October, 2019.

#### Parking Rates – Continued Discussion on Possible Changes for Students and Businesses

Eric Deike, Director of Public Works, was present to provide an update of the continued discussion of possible changes for students and businesses. Per the direction of the Mayor and Council, staff met with USMH Executive Director, Mark Halsey, to negotiate a student rate in time for the spring semester. Mayor Bruchey, Councilmember Keller and Councilmember Aleshire were also in attendance at the meeting held on October 16, 2018.

During the meeting, the two sides were unable to agree on a student parking rate. Mr. Halsey wanted a parking rate that started only slightly higher than the previous student rate of \$ 40.71 per semester (\$10.18 per month). His last proposal is a starting parking rate of \$ 12.00 per month on January 1, 2019, with an increase of \$0.50 annually in student permits. The rate would top out at \$ 14.50 per month on July 1, 2024, and remain flat through June 30, 2030. This proposal, if applied to all students, would reduce the estimated revenue by an average of \$ 83,000.00 per year. If it is only applied to USMH students, the reduction in revenue would be an average of \$ 40,000.00 per year.

Mayor Bruchey offered a discounted student rate from the current \$ 64.00 per month. His proposal shows a student rate of \$ 21.74 per month starting on January 1, 2019, increasing by \$ 10.000 increments every 6 months topping out at \$ 48.00 per month on July 1, 2020. The reduction in revenue for this proposal is approximately \$ 100,000.00. Mr. Halsey rejected the counteroffer.

Detailed calculations showing estimated revenue and the estimated reduction in revenue under different proposed parking rates are included with the meeting material.

Staff still recommends no student discounts. These discounts will neither encourage nor discourage attendance at any of the schools downtown. Students attend those schools for very specific purposes and staff believes parking rates are not a factor in their attendance numbers.

If a student discount is to be applied, staff suggests the following option – set the student rate at a 25% discount for all students attending school in the downtown only if they park in the University District Parking Deck or in the parking lots. The discount would not apply to the A&E Parking Deck. This option would match the current bulk rate terms given to some businesses like Middletown Valley Bank. The student discount would go into effect January 1, 2019.

Second, phase-out the bulk rates and student discounts over a 5 year period reducing these rates and discounts by 5% per year until these disappear. Per the current rate changes, no bulk rates are being offered to new customers. Those customers currently enjoying a 10% bulk discount would not be affected until July 1, 2022 when the discount reduces to 5%. A reduction over 5 years is similar to what is offered through the City's Partners in Economic Progress (PEP) Program.

This plan puts many of the customers on the same parking rate level. It shows the City is willing to listen, willing to compromise and recognizes the financial impact to customers like Middletown Valley Bank. It gives businesses more time to adjust to the changes.

For staff, making rate changes every 6 months is a bit too much to manage. They would not recommend adjusting student rates this quickly. Annual changes are easier for customers to understand and for staff to properly handle.

This proposal is a reasonable, manageable solution for staff, businesses, and students. The only exception to this is the Board of Education (BOE). They currently receive a set discount rate at the A&E Parking Deck of \$ 50.00 per permit per month. Per the approved resolution, that discount would end July 1, 2019. Staff could convert their discount to a bulk rate discount on July 1, 2019. At 20%, their rate would be \$ 52.80. The BOE would see a slight increase that would be phased out over the same 5-year period and brings them in line with those businesses receiving the bulk rate discount.

The staff recommendation still stands at keeping the rates and changes as currently approved. An option has been presented that aligns with past discounts and procedures allowing for a student discount that would be phased out over a 5 year period. It also allows those entities currently enjoying a bulk rate a new path to phasing out those discounts over a much longer period of time than simply ending those discounts on July 1, 2019.

Councilmember Heffernan wondered if the fund reaches parity when the monthly rate is \$ 73.00. Some communications indicate these rates are needed to increase revenue to cover the \$ 8 million that will be needed for a third parking deck. If that is true, he thinks the deck should be removed from the projections. A private developer may be willing to construct a third parking deck, if needed.

Mr. Deike clarified that the budget projections include the parking deck but not the rate increase.

Councilmember Heffernan thinks if the funding is needed, the rates should be kept the same, as approved on June 26, 2018.

Councilmember Metzner stated the rate increase is significantly tied to a third deck rather than the current need. State officials have reached out to the Mayor and City Council stating their concerns about the parking rates. He thinks the parking rate change should be negated and that the Mayor and City Council should meet with the State Delegation to explain the funding plan. He has observed cooperation with the State and County lately and additional funding for the City and does not want to provide a reason for that to end.

Councilmember Keller doesn't disagree but this has been discussed since January. The Delegation sent an email saying they wouldn't look at Hagerstown projects favorably 6 hours before this meeting. She doesn't think it's fair to put that kind of pressure on the City.

Ms. Means and Mr. Deike asked what message was sent.

Councilmember Aleshire stated it was an email from a member of the Delegation and it was not sent to any City staff member. He is concerned that there seems to be a willingness to hand over management of a City enterprise fund based on the threat that was made. The additional funding provided is for future parking needs, not specifically for a third parking deck. Why would this enterprise fund be treated any differently than others are, such as the water and wastewater funds.

Councilmember Metzner stated if the rates had been increasing progressively over the last 10 to 15 years, there wouldn't be an issue. He is not saying what staff has suggested is not appropriate. The City needs to make sure all the players are on hand.

Mr. Deike pointed out the rate changes enacted are under 4%. It took 25 years to implement an increase in the parking meter rate.

Councilmember Heffernan is concerned that the rate increases are trying to get to parity too fast.

Councilmember Aleshire stated if the rates are as low as suggested, the City won't be able to afford the major improvements that are needed for the two existing decks.

Ms. Means stated the parking rate revisions were also made to provide consistency for all users. It should be treated the same as the water and wastewater fund in order to maintain a fiscally healthy fund. The rates should be consistent within specific classes of users/parkers.

Councilmember Aleshire stated there should not be different rates for all the different students.

Councilmember Metzner thinks parking contributes to economic development. He is not saying the low rate should stay in existence. However, increasing the rate by 500% for certain students is a significant increase and is the reason the Mayor and Council are getting the reaction from users.

Councilmember Aleshire attended the meetings with Mr. Halsey and even the low rate increases were not acceptable. The Mayor's offer was also unacceptable. If the parking reserve is not increased, taxpayers will have to cover the cost for parking needs.

Mayor Bruchey does not have an issue with State leaders and Delegation assisting with things like the Maryland Theatre, BISFA, and USMH and he doesn't want to make the State representatives angry. He does have an issue with hearing that the State won't help build a parking deck. A decision about the USMH student rate has to be made prior to the beginning of the next semester.

Councilmember Metzner suggested meeting with the State representatives immediately to discuss the rates.

Mayor Bruchey understands the importance of USMH downtown and thinks it is ok to treat them differently. He noted finding a compromise with USMH is impossible.

Councilmember Aleshire stated it would have significance for him if individual entities within an enterprise fund can be treated differently. Ms. Means stated audit standards require consistency within an enterprise fund.

Mr. Deike pointed out a temporary discount for multiple users was approved in 1996, which has stayed in effect. Students were included in that discount until a student discount was implemented.

Ms. Means clarified that the parking discount was not a factor in the location of USMH downtown. Mayor Bruchey and Mr. Deike indicated that is correct.

Councilmember Metzner stated Senator Serafini has indicated the plan that has been implemented is unacceptable. He recommended asking the Senator what his suggestion is for funding a parking deck. He would rather have support of the Delegation when it comes time for State support. He asked what the City can do so there is not the impression that Hagerstown is difficult to deal with at the State level.

Councilmember Aleshire stated if the State has a solution, he would support it. He thinks they will be asking the City within 3 years about a parking deck.

Councilmember Metzner asked if a meeting could be scheduled with the Senator. Mayor Bruchey indicated Senator Serafini had said the only acceptable thing is no increase for USMH students.

#### Water and Wastewater Five-Year Rate Plan

Michael Spiker, Director of Utilities, and Nancy Hausrath, Water Operations Manager, were present to discuss a five year rate plan for the Water and Wastewater Divisions.

The Utilities Department Financial/Administrative staff continues to work with Municipal and Financial Services Group (MFSG) staff in the development of the Water and Wastewater Five Year Rate Plan. This Plan will be in effect from Fiscal Year 20 through the end of Fiscal Year 24. The following information contains the existing draft proposal and assumption information utilized in the Plan. There are no changes in the methodologies utilized in the formulation of this Plan as has existed in the previous two iterations.

1. Inflation rate 1.5%, Wastewater and Water Customer growth rate 0.4%, Wastewater Consumption growth rate -0.6%, and the Water Consumption growth rate -0.9%. Previous year histories and conservative assumptions were utilized.
2. Wastewater rate requirements are an increase of 2% per year for each of the five years.
3. Water rate requirements are an increase of 3% per year for each of the five years.
4. Each of the Utilities is currently in a strong cash position and staff is in concurrence with the minimal increases and that operational requirements can be met with the proposed minimal increases for customers.

5. The City currently charges customers with higher than normal strength wastewater surcharges due to the additional cost associated with treating this water.
6. The City currently has two types of maintenance charges, materials and labor, imposed upon customers with grinder pumps required for low pressure systems. For those customers within the Woodlands area, a pump is shared among two dwellings and the maintenance charge is approximately \$ 53.73 per dwelling. Customers within other areas are charged a maintenance fee of approximately \$ 97.80 per pump.
7. The City currently imposes benefit charges on customers who connect to the water and/or wastewater system. The benefit charges are based on the capital costs of providing water and sewer capacity for new customers. Benefit charges are proportioned based upon anticipated usage and jurisdiction (inside/outside city). Benefit charges are intended to recover the capital cost of capacity constructed to serve a new customer. The Mayor and City Council may want to consider a 3% rate increase per year to be consistent with the model and under collecting for both water and wastewater.
8. The City currently charges customers fire line charges based on meter and/or pipe size. The City increased the charges for fire lines by approximately 15% in FY10 to bring the revenues from these charges in line with the cost of providing private fire protection. Based on the updated model, staff recommend that the City adjust fire line charges at an annual rate of 3% to ensure that the fire line charges keep up with the increasing cost of providing private fire protection service.

Councilmember Aleshire stated the Town of Myersville completed a study of comparable water and wastewater rates and found that Hagerstown is, by far, one of the lowest rates in the region.

When the final proposal is complete, a public hearing will be scheduled, either in January or February, 2019.

#### Town of Funkstown Utilities Water and Wastewater Joint Service Area Request

Michael Spiker, Director of Utilities, and Nancy Hausrath, Water Operations Manager, were present to discuss a request from the Town of Funkstown for City of Hagerstown Water and Wastewater Services (Utilities). The request is for services for a 44.11 acre parcel within their Town boundaries that is located west of the Antietam Creek and currently inaccessible to their existing water/wastewater infrastructure. The City Utilities are contiguous to the requested parcel. Water Service can be provided via a water main located within Frederick Street and can be accomplished through language contained within the existing Water Services Agreement with the Town of Funkstown. Established Capacity is available within the Agreement.

Wastewater services can be accomplished through a Joint Service Agreement between the two entities and has been developed by the efforts of the City/Town Legal Counsels and City Staff. The physical location of the attachment point will occur within Collection System District 12 near Manhole 12014 on the 21 inch gravity main. This agreement will be external to any current Joint Service Area Agreements that are attached to the Consolidated General Services Agreement between the City of Hagerstown and Washington County.

The Agreement provisions are as follows:

1. The Town will own and operate all systems located within the designated Boundaries
2. Water Service will be provided and billed monthly via one meter per Water Services Agreement rate
3. Wastewater Service will be provided and billed via Water meter readings
4. Wastewater Service will be billed utilizing the Joint Service Area rate Structure
5. Wastewater Service Allocation will be capped at 40 Equivalent Dwelling Units for the 44.11 acre parcel

Councilmember Aleshire noted there is an unincorporated area on the map (Frederick Street) that is surrounded by incorporated areas. He thinks extending services in this area ignores the current situation of the unincorporated island. He stated this is an issue that has to be resolved. He stated it does not appear there is a necessity to provide services to this parcel. If the City extends services to the property, it should be annexed.

Mr. Spiker asked if more discussion is preferred with Funkstown representatives. He could ask Mayor Crampton to attend a Work Session to answer questions, if needed.

It was the general consensus to invite Mayor Crampton to a Work Session for further discussion.

#### Requested Amendment to Water and Wastewater Policy for Essential Government Services

Kathleen Maher, Director of Planning and Code Administration, and Michael Spiker, Director of Utilities, were present to review a request to amend the Water and Wastewater Policy to add a new Exception for Essential Government Services. This request has been made by the County Commissioners to create a procedure to all City water service for the Public Safety Training Facility proposed for outside the medium Range Growth Area on the Sharpsburg Pike.

The Water and Wastewater Policy (adopted in 2004) provides possible exceptions for certain situations that are based on identified health concerns, vital improvements to the City water and/or wastewater system, pre-existing agreements with the City, and certain vital economic development projects in targeted areas of the County Comprehensive Plan. The nine exceptions are:

1. The Health Department has condemned, or there is impending failure, of an existing private water or septic system.
2. A system improvement would be provided deemed vital to the enhancement of operation or efficiency of the water and/or wastewater system.
3. Connection to an existing lot of record (predating the policy) for a single-family residence or two-family residence.
4. Redevelopment of property containing an existing customer with no increase in allocation.
5. There is a pre-existing water or wastewater agreement in place predating the policy.
6. A vital economic development project located in a targeted area for industrial and/or non-retail commercial development.
7. There is a pre-annexation agreement in place predating the policy.
8. Development of an affordable housing project.
9. Connection to a proposed new single-family or two-family dwelling because well testing failed due to GWUDI (Ground Water Under Direct Influence of Surface Water) issues.

Exceptions #1, #3, #4, #5, #7 and #9 are approved by the Director of Utilities, often with input of Planning staff. Exceptions #2, #6, #8, and #9 are approved by the Mayor and City Council with input from the Director of Utilities (#2, #6, and #8) and other officials (#6 and #8).

The County Commissioners are proposing to locate a new Public Safety Training Center on the Sharpsburg Pike outside the Hagerstown Medium Range Growth Area. When City staff learned that the location does not have sufficient water service, they explained to County staff that there is not an exception in the City Water and Wastewater Policy that could cover this situation. Planning staff suggested that an essential government services exemption may be a good idea, since some essential government services are tied to certain geographic parameters that might make location within the MRGA impossible. A letter making a request for an amendment to the City policy for such an exemption was sent by the County Commissioners to the Mayor and City

Council on October 23, 2018. The letter also outlined detail on the plans for the Public Safety Training Facility.

Utilities Department staff will not unreasonable deny water service; however, staff will review operational and capacity data to ensure all recommendations for approval are in the best interest of the City and the water system. In doing this, staff will consider average day, peak day and fire flow requirements and input this data into the hydraulic model. In the event that the water system cannot meet any or all requirements without upgrading the water system, the cost of upgrading the water system will be the responsibility of the government agency requesting service. All upgrades must be completed and placed in service prior to the new service connection, unless otherwise approved by the Director of Utilities.

City staff consider the proposed request and the potential impact to the City water system from such issues in the future. Taking into consideration the planning concerns outlined above, City staff drafted a proposed amendment to the City's Water and Wastewater Policy to add a 10<sup>th</sup> exception that would allow the Mayor and City Council to approve requests for service for Essential Government Services as follows:

10. Facility for an Essential Public Service. A facility necessary for the public services provided by a government body whose geographic location is determined by the government as the best placement to serve the needs of local communities or to access the resources necessary to serve the public. Service approval using this exception is contingent upon recommendation of the County Commissioners or other affected government agency, and the City Director of Utilities to, and approval by, the Mayor and Council. Recommendation to the Mayor and Council for approval by the Director of Utilities will be contingent upon ensuring the water system can meet the average day, peak day, and fire flow requirements for each request for service. If water system upgrades are required to meet average day, peak day, and/or fire flow, all cost for upgrades will be the responsibility of the agency requesting service, as approved by City Utilities Department.

Because such requests may occur for land outside the County designated Urban Growth Area and outside the Priority Funding Area, the proposed amendment would require first receiving the approval of the administrative authority of the County Water and Sewer Plan.

Councilmember Aleshire asked what amount is being requested. Ms. Maher stated this is not known at this time because there is no exception in place. If the exception is approved, a formal request, including requested allocation, would be required. Councilmember Aleshire pointed out there are places the Facility could have been located that are within the MRGA. If service is extended to one area, it has to be reduced in another to compensate for the extension of this finite resource.

Mr. Spiker noted the Mayor and City Council would have the final say under this proposed exception. Each request would be heard on a case by case basis.

It was the general consensus to move forward with adding Exception #10 to the Water and Wastewater Policy by adding it to the Regular Session agenda.

Follow-up on Hotel Licensing Discussion

Kathleen Maher, Director of Planning and Code Administration, and Fire Chief Steve Lohr, were present to follow up on the October 23, 2018 public meeting on the proposal to license hotels in Hagerstown.

Recurring comments from hotel operators and other stakeholders at the October 23, 2018 meeting include the program is not needed since the Garden Plaza is under new ownership, licensing fees would increase the room rates, independent hotels being classified in Tier 3 may discourage boutique hotels in the City, third party inspections already occur, the program could create a negative perception about Hagerstown hotels, and the license fee should be the same for all owners.

Alternative strategies to address the City's concerns include the following:

1. Implement a Hotel Licensing Program, but scrap the fees and the tier system and subject all hotels to an annual Fire and PCAD inspection. The licensing program would allow the City to affect the occupancy of the hotel if unacceptable and unsafe practices are in place or hotel is not paying required taxes or utility fees and would provide consistent standards for what constitutes reason for closure of hotel. No tier would treat all hotels equally.
2. Amend Building Code and Property Maintenance Code to include minimum requirements for hotels to accommodate extended-stay guests (longer than 30 days). This would ensure hotels have the proper amenities to accommodate extended-stay guests and put limits on the number of occupants per room and on how long a hotel can be used for housing by area residents.
3. Maintain status quo. Take no action.

To address concerns about homelessness, an additional recommendation is to amend the Land Management Code to include Rooming Houses as a permissible use in certain zoning districts. This proposal is included in the 2018 package of Land Management Code amendments which the Planning Commission forwarded to the Mayor and City Council on October 24, 2018 and was presented at the November 6, 2018 Mayor and City Council meeting. This would create a better alternative to transient-stay hotels for residents needing non-traditional housing to avoid homelessness.

After review of the three strategies, it was the general consensus to maintain the regulations as they are now. No changes will be made.

Jill Thompson, Director of Community and Economic Development, was present to discuss the application to the Maryland State Arts Council – Grants for Organizations (MSAC-GFO) program for FY20.

Staff seek approval from the Mayor and Council to submit an application to the Maryland State Arts Council (MSAC) in support of the 2020 Signature Music and Arts Festival. The City can shift its MSAC FY20 request from the Traditional Arts category to the Multi-Discipline B category (which covers multi-arts festivals). Funds would be used to cover the costs of presenting artists.

With a successful application, staff expects that a grant award will be in the range of \$ 10,000 to \$ 15,000. A 3 to 1 match would request that the event have \$ 45,000 from other sources (including the City contribution, sponsorships, other grants, and event revenue) The match would be included in the Public Functions line items in the FY20 DCED budget.

The Mayor and Council agreed to move forward with the grant applications.

56th Special Session – November 13, 2018

On a motion duly made by Councilmember A. Heffernan and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote to meet in Special Session at 6:02 p.m.

**Approval of a Grant Application to the Maryland State Arts Council**

**Action:** On a motion duly made by Councilmember A. Heffernan and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote to authorize the City to submit a grant application for an MSAC-GFO grant to the Maryland State Arts Council. This grant requires a 3-to-1 match. The match would be included in the Public Functions line items in the FY20 DCED budget. The grant will be used to cover the cost of presenting artists in the 2020 Signature Music and Arts Festival.

The Special Session was closed at 6:03 p.m.

**CITY ADMINISTRATOR’S COMMENTS**

*Valerie Means, City Administrator* had no additional comments.

**MAYOR AND COUNCIL COMMENTS**

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

56<sup>TH</sup> SPECIAL SESSION AND WORK SESSION  
2018

NOVEMBER 13,

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

*Councilmember A. Heffernan* had no additional comments.

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

*Councilmember S. McIntire* would like time on the December 4, 2018 Work Session to discuss a Youth Advisory Council. All agreed to schedule this.

*Councilmember E. Keller* had no additional comments.

*Mayor R. E. Bruchey, II* attended the Veteran's Day program at the Washington County Court House on November 11, 2018. He reminded everyone the downtown tree lighting is Friday, November 16, 2018, beginning at 5:00 p.m.

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 6:06 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: December 18, 2018