

EXECUTIVE SESSION – November 20, 2018

On a motion duly made by Councilmember S. McIntire and seconded by Councilmember E. Keller, the Mayor and City Council unanimously agreed by voice vote 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)), on Tuesday, November 20, 2018 at 2:57 p.m. in Room 407, 4<sup>th</sup> 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 S. McIntire, Councilmember L. C. Metzner, and Donna K. Spickler, City Clerk.

The meeting was held to discuss various personnel matters. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the meeting was adjourned at 3:33 p.m.

Dedication of “This Little Light of Mine” Mural at University Plaza

A dedication of the mural titled This Little Light of Mine was held at the University Plaza, 50 W. Washington Street, Hagerstown, Maryland. This artwork is displayed on the wall at the park. Eric B. Ricks is the artist.

All members of the Mayor and City Council attended the dedication.

WORK SESSION – November 20, 2018

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:02 p.m., Tuesday, November 20, 2018 in the Council Chamber at City Hall. Present with the Mayor were Councilmembers A. Heffernan, K. B. Aleshire, E. Keller, S. McIntire, and L. C. Metzner, City Administrator Valerie Means and City Clerk D. K. Spickler.

Proclamation: Transgender Day of Remembrance

Mayor Bruchey read a proclamation naming November 20, 2018 as Transgender Day of Remembrance. Transgender Day of Remembrance is an opportunity to remember the trans and gender-diverse individuals who have been murdered as a result of hate who would most likely otherwise be forgotten, and to raise awareness, and to provide support and hope. Michael Jones, Fourstate Pride Network, accepted the proclamation.

Mayor Bruchey read a proclamation recognizing Saturday, November 24, 2018 as Small Business Saturday. Small Business Saturday is a national campaign to cultivate business for merchants of small businesses on the Saturday after Thanksgiving. Catie Serio, Owner of Pretzel & Pizza Creations, Matthew Shank, Owner of The Game Hub, and Eric Sarmiento, Owner of Regenerate Float Center, accepted the proclamation.

Introduction of Guest Dr. Jim Klauber, President of Hagerstown Community College

Jill Thompson, Director of Community and Economic Development, introduced Dr. Jim Klauber, President of Hagerstown Community College (HCC), to the group.

Dr. Klauber has introduced the idea of Work Ready Communities reported HCC is promoting the program ACT Work Ready Communities. The ACT Work Ready Communities designation empowers states, regions, and counties with data, processes, and tools that drive economic growth. Participants leverage the AC WorkKeys National Career Readiness Certificate to measure and close the skills gap and build common frameworks that link, align, and match their workforce development efforts.

The career readiness assessment helps employers identify employees whose skill levels match their needs. The assessment focuses on three areas: applied math, workplace documents, and graphic literacy.

He is hoping Washington County becomes the first WorkKeys community in Maryland.

Mayor Bruchey asked if there has been any consideration of an extension of HCC downtown. Dr. Klauber stated there may be some review of this; however, the new generation of students want an on-line format of classes. There may be some adult education opportunities within the WorkKeys program.

Dr. Klauber wants HCC to be offering the curriculum that will provide a good work force for manufacturing companies.

Stormwater Advisory Committee Status Update

Rodney Tissue, City Engineer, and David Bulova, Wood PLC, were present to provide a draft report of the efforts and conclusions of the Stormwater Advisory Committee.

In January, the Mayor and City Council approved a consulting contract with Amec Foster Wheeler (now Wood PLC) to prepare a study of the City's existing stormwater program, and to explore the formation of a Stormwater Utility, which would manage the program in the future in order to comply with the City's new NPDES MS4 permit. A key part of Wood's work was to seek input from various stakeholder groups around the City.

To that end, a Stormwater Advisory Committee (SAC) was formed to examine the state of the existing program, review the financial and administrative burdens expected under the new permit, and discuss various options for funding a comprehensive program going forward. The SAC has met seven times. Staff anticipates that the final report will be compiled in December, and that the presentation of the final report and recommendations will occur in January 2019. At that time, the City must decide if it will continue with Phase II of the process, which will greatly refine the financial model and establish stormwater fee rates.

Maryland has committed to restoring the Chesapeake Bay by meeting EPA-mandated Total Maximum Daily Loads (TMDLs). Actions to restore the Bay must be in place by 2025. The City's Municipal Separate Storm Sewer System (MS4) permit is used to require reductions from urban pollutant sources. The new MS4 permit requires the City to "treat" 20% of untreated impervious area. City staff estimates that approximately 450 acres must be treated.

The City must define and develop a comprehensive program of stormwater services, and recommend a funding strategy that will diversify infrastructure revenue and provide sufficient resources to address regulatory pressure. These actions will position the City to effectively construct, maintain, and rehabilitate drainage facilities throughout the community.

The role of the SAC is to engage key community stakeholders in the evaluation process. If the Mayor and City Council decide to move forward to Phase 2, the SAC will be tasked with providing informed, engaged feedback on current services, challenges faced by the City, strategies for addressing these challenges, and methods for funding the stormwater program. The SAC has been critical to the initial review and they have discussed the future steps required. The group is broad in order to get collective feedback from a range of groups. Priorities were then developed.

The key driver of the MS4 permit is that 450 acres of impervious area must be treated. The cost per acre is highly variable due to availability of public land, conflicting with utilities, underlying geology, etc. The estimated cost to treat each impervious acre is \$ 60,000, resulting in estimated capital need of \$ 27 million by 2025. The current capital budget for stormwater is \$ 1.1 million. The CIP budget assumes \$ 650,000 in grants, which may or may not materialize.

The number of stormwater quality management structures the City must inspect is increasing. Currently, there are 276 structures on 192 properties; 240 are privately maintained. Private structures are inspected every three years. City staff anticipates approximately 10 new structures each year. At this pace, workload will exceed City staff capacity starting in FY2021.

The City manages about 106 miles of pipe and storm drain inlets. Much of the drainage system is more than 100 years old. The current maintenance program is reactionary based on discovery of problems after failure. A more proactive approach has

two benefits: avoid short-term cost of road closures, flooding, safety issues, property damage, etc. and rehabilitation is more cost-effective in the long-term. The cost to CCTV the pipe system is highly variable. Staff assumes \$ 12,000 per mile using a contractor. Councilmember Aleshire wondered if it would be cost effective to purchase the CCTV equipment and train personnel to use it. Mr. Tissue pointed out the Wastewater Department has this equipment but the question is whether they have time to do the 106 miles of pipe. Councilmember Aleshire stated two employees could be hired to complete this job. Mr. Bulova stated this would be a focus if the Mayor and Council agree to move to Phase 2.

Roadway curb and sidewalk maintenance is currently a private landowner responsibility. This can impose a significant burden on a property owner. Curb and sidewalk are typically considered public resources. As a part of the draining system, roadway curb could be covered under the stormwater program. Staff estimates the annual cost of roadway curb and gutter at \$ 100,000 per year. The cost of sidewalk maintenance could be covered under the General Fund.

SAC Priorities are:

1. Meeting regulatory mandates, including the 20% treatment requirement
2. Shift, over time, from a reactive O & M program for the drainage pipe network to a more proactive strategy
3. Shift the burden of curb and gutter replacement from property owners to the City

Councilmember Aleshire asked if curb and gutter maintenance provides credits. Mr. Bulova indicated the City could have a stormwater program that focuses solely on one component. Mr. Tissue thinks property owners may be supportive of a program where they don't have to maintain the curb or gutter.

Mr. Bulova pointed out staff costs to oversee a program could be significant. The following are some cost reducing considerations:

1. Continue to investigate the most cost-efficient practices to meet the 20% treatment requirement.
2. Develop public/private partnership with funding for incentives.
3. Investigate the potential for participation in Maryland's Water Quality Nutrient Trading Program.
4. Continue to coordinate with Washington County and identify opportunities to achieve regional economies of scale when possible.

The question is not whether there will be cost impacts, but rather how those costs will be distributed among property owners. If the costs are part of the property tax no revenue is generated from tax exempt properties. There are 502 tax exempt parcels with \$ 5 million in unbilled revenue. There would be no additional billing infrastructure needed. A user fee would be system impact based. Impervious area would serve as the meter for allocating costs. User fees would be a legally separate enterprise fund and all properties would contribute. Federal and State properties pay if the City pays. Credits (fee

reduction) is allowed for stormwater activities. Maintenance of impervious areas and additional billing preparation would be needed as well.

Councilmember Aleshire asked if the City can charge for someone dumping into the sewer system. Mr. Bulova stated the City cannot charge outside its jurisdiction. Elizabeth Treadway stated she is not sure that would be authorized. She will review the State code to determine if it is.

Ms. Means clarified that commercial properties are included in the fee. Mr. Bulova stated all properties, including commercial are indeed included.

The following rate options were reviewed:

1. Real Property Tax
2. Utility per 1,000 square foot
3. Utility – ERU
4. Utility – Tiered SFDR

Each option shows different scenarios for application based on the use of the property.

Stormwater Fee credits are also available. A credit is a reduction in a property owner's fee that recognizes an investment that ultimately reduces the cost of publicly provided stormwater services. It is considered an advantage of a user fee. Maryland Code requires credit for a structural practice, but the specifics are up to the municipality. Credit is given for properties that implement Maryland NPDES industrial stormwater permits. Credits can also be provided for pollution prevention activities.

All MS4 permit holders in Maryland are faced with similar challenges. This includes Washington County and 90+ other local, state, and federal government agencies. Municipalities in Virginia, West Virginia, and Pennsylvania face similar mandates.

The SAC is bringing the information together and determining where they think the City needs to move so these challenges are met. A plan for a revenue source that is sufficient to meet long-term program needs, including the 20% impervious area treatment mandate, is needed. Equity and fairness in the approach are very important. All properties with impervious cover should be part of the solution regardless of their tax status. A user fee based on SF of impervious cover (e.g., based on 1,000 SF of billing units) is perceived as the more equitable approach. The City should pay for City-owned public properties. This authorizes the City to charge other governmental units.

The impact on properties with large amounts of impervious cover should be a policy focus by helping property owners reduce their bills through incentives and partnerships. Using these sites as partnership opportunities to meet the 20% reduction requirement should be included. Ensuring outreach and education includes a focus on this group of property owners. Coordination with Washington County is important. The City should not be penalized based on how the County decides to pay for its program.

The City should adopt a robust, yet simple, credit policy. While all stormwater facilities must be eligible for credit, the policy should encourage voluntary private investment and redevelopment. Industrial permittees will require further evaluation. All property owners should have an opportunity to reduce their fees through small investments.

Next steps are:

1. Should the City move forward to Phase 2?
2. What additional information is needed to make an informed decision?
3. Are there additional items the SAC should consider?
4. Final report to the Mayor and City Council after the SAC's December 10, 2018 meeting.

Councilmember Aleshire pointed out it took years before Phase 1 was implemented. He doesn't want to move to Phase 2 and find out there is duplication with the City and the County. Mr. Tissue stated staff has been doing some things with the County. He does not know how they are going to implement the fees.

Councilmember Aleshire stated it is important for the public to understand this is a mandated fee and the City cannot say no to it. Mr. Bulova also noted revenue needs to be created to meet the requirements.

Councilmember Aleshire stated the program/fee has to be user driven. His goal is to remove it from the tax reported functions and make it a separate utility.

Councilmember Metzner stated it is clear the City needs to move on to Phase 2.

Councilmember Heffernan stated it is important to work with the County so City taxpayers don't end up paying for the mandate in the County.

#### Request from Funkstown for Water and Wastewater Services

Michael Spiker, Director of Utilities, and Mayor Paul Crampton, Town of Funkstown, were present for further questions about Funkstown's request for City of Hagerstown utilities for a parcel within the Town's boundaries. This was first discussed with the Mayor and City Council on November 13, 2018.

Mayor Crampton indicated City of Hagerstown utilities is the most viable, cost effective solution for Funkstown's residents. Funkstown currently purchases water from the City of Hagerstown.

Councilmember Aleshire asked what the cost differential for an EDU is between outside city limits and within the Joint Service Area. Mr. Spiker indicated it is a 50% differential. Councilmember Aleshire asked if there is land that could be developed because of this potential connection. Mr. Spiker stated there is more undeveloped area in the proximity of this parcel that could be developed and request City services.

Councilmember Aleshire is concerned that there would be potential development just outside the City limits without an increase in the City's tax base. He thinks this area should belong to one jurisdiction or the other. He has not been a supporter of approving City services without a benefit to the City.

It was the general consensus of the Council to move forward with approving the request. Formal action will be scheduled for the November 27, 2018 Regular Session.

Preliminary Agenda Review

The Gridiron Classic MVP announcement will be added to the November 27, 2018 Regular Session.

**Consent Agenda**

A. Fire:

1. Heating Replacement for Station 3 – Harrell's Services (Sharpsburg, MD)  
\$ 20,610.00
2. Vehicle Replacements – Keystone Ford (Chambersburg, PA) \$ 61,606.83

B. Parks and Engineering:

1. LED Retrofit Luminaries for City Parks – Traffic Systems and Technology (Manassas, VA) \$ 41,400.00
2. Potterfield Pool Improvements – DRD Pool Management (Hunt Valley, MD)  
\$ 100,457.00
3. Traffic Engineering Services – Sabra Wang & Associates (Columbia, MD) and KCI Technologies (Sparks, MD)

C. Public Works:

1. Bulk Diesel Fuel and Gasoline – AC&T Co., Inc. (Hagerstown, MD)  
\$ 433,336.00 (\$ 1.6768/gal. for Diesel and \$ 1.5815/gal. for Gasoline)

D. Utilities:

1. Water: B84B Hydrants – Core & Main (Montrose, VA) \$ 35,176.00
2. Water and Wastewater: Bulk Chemical Purchase – Wastewater Division  
\$ 373,910.00 (multiple vendors) and Water Division \$ 793,728.48 (multiple vendors)
3. Wastewater: Collection System Rehabilitation Phase 1A – Mr. Rehab, Inc. (Mechanicsburg, PA) \$ 207,235.21

This completed the review. All items are scheduled for approval during the November 27, 2018 Regular Session.

**CITY ADMINISTRATOR'S COMMENTS**

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

*Councilmember L. C. Metzner* wished everyone a Happy Thanksgiving.

*Councilmember A. Heffernan* had no additional comments.

*Councilmember S. McIntire* is glad there are so many organizations providing Thanksgiving meals to people in the community.

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

*Councilmember E. Keller* stated there has been a discussion on social media that there is a racial divide in Hagerstown and that the Council is not inclusive. She stated this came up with the Joe Jefferson and CVB situation. She thanked Mr. Jefferson for his work. She does not judge people. She ran for office to represent all of Hagerstown's citizens. She intends to organize a community meeting to discuss inclusiveness. She stated the City Administrator, all City staff, and all City elected officials are inclusive.

*Mayor R. E. Bruchey, II* appreciates the work Mr. Jefferson has done. It bothers him when he hears Hagerstown is not inclusive.

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 6:00 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: December 18, 2018