

26<sup>TH</sup> SPECIAL SESSION, EXECUTIVE SESSION AND WORK SESSION – October 15, 2013

EXECUTIVE SESSION – October 15, 2013

Councilmember M. E. Brubaker made a motion to meet in closed session to consult with counsel to obtain legal advice, #7 (Section 10-508(a)), to conduct collective bargaining negotiations or consider matters that relate to the negotiations, #9 (Section 10-508(a)), and 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 10-508(a)) at 3:08 p.m. in Room 407, 4<sup>th</sup> Floor, City Hall, Hagerstown, Maryland. Councilmember D. F. Munson seconded the motion.

Motion carried 4-1 with Councilmember K. B. Aleshire voting No. He thinks item #1 and item #3 should be discussed in open session.

The following people were in attendance: Mayor D. S. Gysberts, Councilmember K. B. Aleshire, Councilmember M. E. Brubaker, Councilmember L. C. Metzner, Councilmember D. F. Munson, Councilmember P. M. Nigh, City Administrator Bruce Zimmerman, City Attorney John Urner, City Attorney Mark Boyer, Karen Paulson, Director of Human Resources, Michael Spiker, Director of Utilities, Michelle Hepburn, Acting Finance Director, John Lestitian, Director of Community and Economic Development, Scott Nicewarner, Director of Technology and Support Services, and Donna K. Spickler, City Clerk. The meeting was held to discuss a contract for the City Administrator, the MELP property, and collective bargaining updates. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the meeting was adjourned at 4:53 p.m.

26<sup>TH</sup> SPECIAL SESSION – October 15, 2013

Mayor D. S. Gysberts called this 26<sup>th</sup> Special Session, and Work Session of the Mayor and City Council to order at 5:00 p.m., Tuesday, October 15, 2013, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, M. E. Brubaker, L. C. Metzner, D. F. Munson and P. M. Nigh; City Administrator Bruce Zimmerman, City Attorney William Nairn, and City Clerk D. K. Spickler.

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember M. E. Brubaker, the Mayor and City Council unanimously agreed by voice vote to meet in Special Session at 5:00 p.m.

**Introduction of an Ordinance: Accepting an Offer to Transfer Certain Property to the City Located at 19-21-23 West Antietam Street**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember D. F. Munson, the Mayor and City Council

unanimously agreed by voice vote to introduce an ordinance accepting an offer to transfer real property known as 19-21-23 West Antietam Street to the City of Hagerstown. The property would be transferred to the City from the Bankruptcy Trustee in satisfaction of a City lien placed on the property. The lien amount is \$ 90,417.35. The lien is for the cost of City performed emergency work following a fire in February, 2013. If the City does not intervene it is likely the property will simply continue to deteriorate and at a future time the City will once again be forced to take emergency measures.

Discussion: Councilmember Metzner stated there really is not much choice in this matter for the Council.

Councilmember Aleshire stated the City has to accept this property due to negligence of the owner. He wondered what the timeline is for the demolition and the cost of the demolition.

John Lestitian, Director of Community and Economic Development, indicated the demolition costs are estimated to be \$ 150,000 to \$ 200,000. Staff's recommendation for complete demolition will be within 90 days. Requests for proposals will be advertised tomorrow. The building is not entirely structurally sound. Staff is concerned about the winter season affects on the building.

The motion was amended to include demolition will be completed within 90 days after the start of the demolition.

The Special Session was closed at 5:09 p.m.

City Attorney William Nairn left the meeting.

#### WORK SESSION – October 15, 2013

Mayor Gysberts announced the preliminary agenda review will be moved to the end of the meeting.

#### Proclamation – Conflict Resolution Day

Mayor Gysberts read a proclamation naming October 16, 2013 as Conflict Resolution Day. Jack Carpenter, Washington County Mediation Center, accepted the proclamation.

#### Hagerstown Municipal Band – 100<sup>th</sup> Anniversary Celebration

Lynn Lerew, Director, and Chris Stockslager, Treasurer, were present to provide information about the Hagerstown Municipal Band's plans for the 100<sup>th</sup> anniversary celebration.

The Hagerstown Municipal Band was formed in 1915 and will be celebrating its 100<sup>th</sup> season in 2014. The band performs each Sunday during the summer in the bandshell at City Park. They use an area in the Mansion House for their archives.

Mr. Lerew, who is starting his 40<sup>th</sup> year as director, thanked the Mayor and City Council and the City in general for their continued support of the band. New benches were installed for the 2013 season and they were appreciated. He invited everyone to attend as many concerts as possible during 2014, as the entire season will be devoted to the 100<sup>th</sup> anniversary. The big celebration date has been set for July 13, 2014.

Mr. Stockslager stated plans for the celebration on July 13, 2014 include a picnic in the afternoon, prior to the regular evening concert, a reception for dignitaries, and a program booklet. Some of the commercial supporters of the band in the 1920's are still in business. There will be a surprise revealed during the evening concert as well. They hope to produce a video about the band and may need some assistance from the City with this endeavor. Signs may be considered for the railroad bridges. The Board of Directors has worked with Karen Giffin, Community Affairs Manager, and will continue to keep in touch with her as plans are confirmed.

Councilmember Metzner thanked the band for their excellent program. He thanked them for being a part of the library grand opening celebration. He stated the Mayor and Council will support the band with their special events in 2014.

Councilmember Brubaker stated he and his family enjoy the summer concerts.

Councilmember Munson thanked the band for the outstanding music they provide to the community. He pointed out Mr. Lerew has been the director of the band longer than anyone in its history.

#### Washington County Historical Society Request

Linda Irvin-Craig, Executive Director of the Washington County Historical Society (Society), was present to request assistance from the City of Hagerstown with an urgent need at the Miller House. Roger Fairbourn, Board of Directors President of the Washington County Historical Society, was also present.

The Society is requesting \$ 2,000.00 from the City of Hagerstown to repair a hole that has opened in the foundation wall in the front of the Miller House. Repairs should be accomplished before freezing weather arrives. This hole has allowed water to seep into the front office and library, damaging the walls.

The Society has been raising funds for this project and the restoration of some shutter hardware on windows at the front of the building. They are near the goal, but if the work is to be completed this fall, it needs to be scheduled. The additional \$ 2,000.00 from the City would allow them to reach the funding goal and to have the repairs made before winter.

It was the general consensus to provide an additional \$ 2,000 in funding to the Washington County Historical Society for this project.

#### Utility Relief Fair/Distribution of Funds

Scott Nicewarner, Director of Information Technology and Support Services, Beth Everhart, Customer Services Supervisor, and Cindy Brown were present to discuss a Utility Relief Fair.

The Support Services group is recommending that a Utility Relief Fair be sponsored by the City of Hagerstown on October 30, 2013 and October 31, 2013 in City Hall to distribute the remaining funds from the Utility Relief Fund to assist those City residents who are experiencing difficulty in paying their cooling/heating bills. There is \$ 11,699.82 remaining in the fund as of September 30, 2013.

Cindy Brown of Otterbein United Methodist Church has accepted the invitation to be Chairman of the new Utility Relief Committee. Commitments have been received from five other individuals with backgrounds in the faith-based community and local support agencies to assist with the selection of qualified applicants. Staff is also recommending that Community Action Council be the responsible agency in distributing the checks to those selected to receive benefits. As in past fairs, several local agencies will be setting up tables with informational materials for the fair participants.

The criteria has changed minimally since the last fair. All applications selected will be asked to have funds sent to their utility/fuel provider within 30 days of notification.

Mayor Gysberts thanked Mr. Nicewarner and Ms. Everhart for their efforts to assist utility customers.

Councilmember Nigh asked the Mayor and Council to consider holding another Utility Relief Benefit to raise additional funds to help residents. There was no opposition to Councilmember Nigh's request.

#### Water and Wastewater Rate Study – Project Update

Michael Spiker, Director of Utilities, Nancy Hausrath, Water Operations Manager, and Nelia Tidler, Utilities Finance Manager, were present to provide a status report for the Water/Wastewater Rates Five Year Rate Plan.

The Utilities Department Financial/Administrative staff has been working with Municipal Financial Services (MFS) staff Dave Hyder and Tracy Moher in the development of a Water and Wastewater Five Year Rate Plan that would be in effect from Fiscal Year 15 through the end of Fiscal Year 19. Preliminary analysis has been completed utilizing updated financial operational requirements and capital needs for the departments. Staff continues to work on the finalization of the financial numbers and fully expect modifications to the rate model to occur. The goal is to present the final

product containing the financial requirements needed to operate the funds in a prudent and responsible manner in December. Discussions would continue through January and February, with anticipated adoption of a five year rate plan scheduled in March. The rate plan would take effect July 1, 2014.

The goals of the Five Year Rate Plan include:

1. The continued financial solvency of both funds
2. The financial ability to continue investment within the infrastructure
3. Customer financial budgeting of water and wastewater usage. The five year structure allows commercial/industrial and wholesale users (residential customers to a lesser degree) to trend usage and cost analysis in their respective budget plans for five years.

Assumptions were developed utilizing historical data and economic projections including but not limited to:

1. Fees and Charges collected will continue to self-support the Department's financial needs
2. Fees and Charges collected will allow for continued reinvestment of the systems
3. Contingency and Unplanned Expense fund reserves should be maintained
4. 3% Inflation rate
5. 0.5% Customer growth rate
6. 0.5% Consumption growth rate
7. 3% Interest rate on borrowing (maximum)

The Revenue Requirements for the model were developed during the previous rate plan and the analysis utilized the points listed below which are contained within the five year capital and budget projections within the approved FY14 budget.

In order to achieve and maintain the financial health of the Water and Wastewater Divisions, staff proposed moderate increases to the Water and Wastewater Division rate structure through FY19 except for a Wastewater FY15 increase of 12% required to offset the limited amount of operating cash within the department. Additionally, the rate model proposes an annual rate increase of 3% for fire line charges.

In the Water Division, the FY14 budget includes assumptions of a staff projected 16% rate increase requirement for the next four fiscal years. The preliminary financial requirement of the proposed next five fiscal years is 14%. In the Wastewater Division, staff projected a 25% rate increase requirement for the next four fiscal years. The preliminary financial requirement of the proposed next five fiscal years is 22%.

The previously adopted five year rate plan contained seven points for consideration with all but the funding of the 3R Reserve Fund realized. The 3R Reserve Fund is a vital component of the future vitality of the two systems and the utilization of the Fund should reflect a balance of 1% of the systems' assets.

Councilmember Aleshire stated again that he is not willing to support a rate increase if payment of delinquent accounts is not actively pursued. He mentioned the implementation of the late fees earlier this year have reduced the amount of bills that are delinquent.

Councilmember Brubaker asked for clarification of how the customer growth rate and the consumption growth rate are determined.

Councilmember Aleshire asked if a minimum amount is charged, especially for vacant properties if the service is still on. Mr. Spiker stated an average amount is billed.

Councilmember Metzner pointed out the reasonable water and wastewater rates are another benefit of living in the City of Hagerstown.

#### Van Lear Water Service Request/Policy Exemption Request

Michael Spiker, Director of Utilities, stated Lee Downey has requested an extension of water service to up to 18 lots at Section 17 Van Lear Manor located on Hershey Drive. The location of the requested service is external to the City of Hagerstown's Medium Range Growth Area (MRGA) and in order to supply water service, will require an approved exemption by the Mayor and Council under "Exemption 2. System Improvement" of the City of Hagerstown Water and Wastewater Policy. Exemption 2 states: "Upon the recommendation of the Director of Utilities to, and approval by, the Mayor and Council, a system extension would provide a vital improvement or enhancement to the operation or efficiency of the water and/or wastewater system."

As Director of Utilities, Mr. Spiker is recommending approval of the exemption due to the planned enhancement it will provide to the City's water system. Development has been controlled in this area and developed as market conditions allowed.

The approximately 1070LF of water main will be installed by the developer to supply service to the aforementioned property. If approved, the developer will move through the Pre-Annexation Policy requests and through the design process as approved by the Utilities Department Engineering Division. The project will produce up to 18 lots depending upon site plan approval, up to \$ 45,000 in Water Division Allocation Fees and will have a negligible effect on the production and distribution system.

It was the general consensus to move forward with approving the requested exemption.

#### Housing and Neighborhood Vision and Commitment

John Lestitian, Director of Community and Economic Development, was present to discuss a proposed resolution.

In previous discussions, the Mayor and City Council have stressed the importance of housing and neighborhoods. In follow-up, staff seek input from the Mayor and City Council on a proposed resolution establishing the City of Hagerstown's vision and commitment for housing and neighborhoods throughout the City.

Housing and neighborhoods are foundational for community development, economic development and the quality of life for residents. Currently the City, through prior action by the Mayor and City Council and the daily efforts of staff, works to ensure that housing and neighborhoods are welcoming, safe, and clean.

Staff believe that approving this resolution is important to clearly communicate to residents and staff this priority and the foundation it sets for the City's efforts. Staff will then utilize this approved vision and commitment as the guide by which current and future housing and neighborhood programs, initiatives and proposed legislation are developed and implemented.

Councilmember Aleshire stated he has mentioned this issue on several occasions. This resolution sets the stage for regulatory initiatives to stop the degradation of neighborhoods.

Councilmember Brubaker stated it would be good to outline what the City does for the downtown.

Mr. Zimmerman stated staff anticipate discussing several of the issues outlined in the resolution at the November 5, 2013 Work Session.

It was the general consensus to schedule adoption of the resolution for October 22, 2013.

#### Artists Housing Update

John Lestitian, Director of Community and Economic Development, and Karen Giffin, Community Affairs Manager, were present to discuss the Artist Housing project at 36-40 North Potomac Street.

The residential renovations are now complete. Staff continue to show the apartments to the City's Arts and Entertainment Partners, and the feedback is positive. Staff are coordinating the renovations of the gallery space and anticipate that the renovations will be complete by the end of the calendar year.

Staff have met with artists, art educators, the A & E Management Board, Barbara Ingram School for the Arts (BISFA) officials, BISFA Foundation officials and others. Additionally, staff have had positive discussions with BISFA in reference to dedicating a portion of the gallery space for the display of student art. Discussions have also included the possibility of establishing a program whereby students would learn how to operate a

gallery. Through word of mouth, several artists have expressed interest in applying to be a resident artist.

Through the networking noted above, staff have received input on the development of guidelines for the operation of the gallery space and the recommendation of residents. While the guidelines are being finalized, the basics include that a panel of art professionals would provide insight in recommending an artist for rental of an apartment. The City will conduct regular tenant screening and ultimately decide on selection of a tenant. Tenant agreements will require participation and assistance in the operation of the gallery space. It has become evident that one of the residents will have to have additional responsibilities in the coordination of the gallery space and the resident artist.

Staff are prepared to launch a fundraising campaign to assist with outfitting the gallery. Staff believe that naming the gallery space in exchange for a donation is appropriate. With Mayor and City Council approval, staff will organize and begin the campaign.

Staff are planning an open house/call for artist in early November. The goal will be to generate additional interest in participating in the Artist Housing and Gallery.

As noted above under the Program Guidelines section, staff have determined that it will be necessary for one of the residents to have additional responsibilities in coordinating the gallery. Staff believe that it is necessary to offer an apartment rent-free in order to recruit and retain a qualified person to perform these tasks. Staff have received feedback from some individual who expressed that depending on the scope of the additional responsibilities, a stipend may also be required. Staff seek consensus from the Mayor and Council to recruit a resident artist to handle the additional responsibilities of coordinating the gallery, the participation of other resident artists and the events at the gallery. In return for performing these tasks the City will offer an apartment rent-free. As a result of discussion in the community, several email inquiries, resumes and proposals have been received. It is important to note that while the investment in this project has been substantial there is no debt service on this building (approximately 92% of the project has been financed with State and Federal grants).

Councilmember Brubaker hopes this project encourages other private investment in the A & E District. Ms. Giffin stated there is a possibility of tax credits from the City and the County for renovations for artists.

Councilmember Munson mentioned pop up galleries seem to be successful.

Councilmember Aleshire thinks the project sounds good; however, he is concerned about the timing. The issues around the intersection near this property are unappealing. This issue will have to be addressed.

Mr. Lestitian stated the resolution scheduled for approval on October 22, 2013 discussed previously will provide a path to address these issues.

It was the general consensus to support offering one unit rent free for the person overseeing the gallery.

Preliminary Agenda Review

There will be no Mayor and Council meeting on Tuesday, October 29, 2013

**Consent Agenda**

- A. Public Works: Ford F-550 Truck – McCafferty Ford (Mechanicsburg, PA)  
\$ 88,187.00
  
- B. Department of Utilities:
  - 1. Wastewater – Clarifier Covers – NEFCO, Incorporated (Palm Beach Garden, FL) \$ 69,500.00
  - 2. Water – RC Willson Flash Mix Motor Repair – Apparatus Repair and Engineering, Inc. (Hagerstown, MD) \$ 24,443.00
  - 3. Light – Transformers – National Transformer Sales (Raleigh, NC)  
\$ 37,934.00
  
- C. Police:
  - 1. Electronic Document Imaging of Police Records – HMS Technologies, Inc. (Martinsburg, WV) \$ 71,064.00
  - 2. Renovations to First Floor of HPD Building – Milton Stamper (Hagerstown, MD) \$ 28,124.00
  - 3. Police Uniforms – Lawmen Supply (Pennsauken, NJ) R 32,175.00
  - 4. Wireless Access Fee for Speed Cameras – Verizon Wireless (Laurel, MD)  
\$ 10,801.00

Chief Mark Holtzman stated the style of uniforms for the police department will be changed to a more traditional appearance.

**Approval of a Resolution: Operating Agreement for the Ice Rink with the Hagerstown Youth Hockey Association (HYHA)**

Rodney Tissue, City Engineer, presented a one year extension to the existing agreement for the Mayor and City Council's review. He stated the one year extension is being offered as the parties involved are working toward mediation to finalize a long term contract.

Councilmember Nigh stated she understands that board meetings are held infrequently. The agreement should include specific requirements for board meetings. Mr. Tissue stated HYHA does hold board meetings, but they are not with the combined group of users.

Councilmember Metzner asked that an executive session be scheduled for October 22, 2013 to discuss the agreement.

**Approval of a Resolution: University of Maryland at Hagerstown-  
Groundskeeping Services Memorandum of Understanding for University Plaza**

Mr. Tissue stated this agreement includes responsibilities for the opening and closing of the gates to the plaza. USMH staff will close the gates at 10:00 p.m. and City staff will open the gates in the morning.

**Approval of Purchase of Time and Attendance Management System – Intellitime  
Systems Corporation (Santa Ana, CA) Not to Exceed \$ 203,663.05**

Scott Nicewarner, Director of Technology and Support Services, reported this software is the last component of the MUNIS implementation. Staff is recommending awarding to the second lowest bidder. The low bid company did not show the review committee the capabilities of the system that were responded to affirmatively in the RFP response. This system will provide the capacity to more accurately account for staff labor time.

This completed the preliminary agenda review.

**CITY ADMINISTRATOR’S COMMENTS**

*Bruce Zimmerman, City Administrator*, had no additional comments.

**MAYOR AND COUNCIL COMMENTS**

*Councilmember K. B. Aleshire* responded to an editorial in the Herald Mail implying the stadium project was affected by the November, 2012 City election. He stated he realized when he took office that the private funding was not secured.

Councilmember Aleshire then left the meeting.

*Councilmember L. C. Metzner* stated there will be a Jewish food festival held on Sunday, October 20, 2013. Something needs to be done about the properties to the rear of the library that are owned by Washington County.

*Councilmember M. E. Brubaker* had no additional comments.

*Councilmember P. M. Nigh* stated other municipalities and communities are experiencing the same issues as Hagerstown. She still feels safe to walk the streets. She thanked everyone involved with the Harvest Hoedown held on October 12, 2013.

*Councilmember D. F. Munson* stated the Hoedown was a success.

*Mayor D. S. Gysberts* thanked the participants at the Harvest Hoedown. Bikle's Snow, Surf and Skate held a grand opening recently. He stated an executive session will be held at 5:00 p.m. on Tuesday, October 22, 2013. He thanked Erin Wolfe and Eric Hastings for the first installment of the "On the Record" program. He mentioned the plan presented by Sora to the Mayor and City Council in April, 2013 could be completed by them, if they chose to.

Mayor Gysberts stated Bruce Zimmerman's retirement, in June 2015, was announced earlier today. Mr. Zimmerman has been the City Administrator for almost 20 years. He thanked him for his fiscal responsibility and integrity in serving the City.

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 6:43 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: November 26, 2013