

WORK SESSION AND EXECUTIVE SESSION – November 4, 2014

Executive Session – November 4, 2014

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 of all members present to meet in closed session to consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State, #4 (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 3:19 p.m. in Room 407, 4th Floor, City Hall, Hagerstown, Maryland. 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, John Lestitian, Director of the Department of Community and Economic Development, Michael Spiker, Director of Utilities, Nathan Fridinger, Electric Operations Manager, Jason Bachtell, Electrical Engineer, and Donna K. Spickler, City Clerk. The meeting was held to discuss a renewable project within the City limits and potential members of the Planning Commission and Historic District Commission. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the executive session was adjourned at 4:02 p.m.

Work Session – November 4, 2014

Mayor D. S. Gysberts called this Work Session to order at 4:10 p.m., Tuesday, November 4, 2014, 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, and City Clerk D. K. Spickler.

Proclamation – Commemoration of the 150th Anniversary of Emancipation

Mayor Gysberts read a proclamation commemorating the 150th anniversary of emancipation.

Hagerstown Housing Authority's McCleary Hill Project

Ted Shankle, Hagerstown Housing Authority (HHA) Executive Director, and David Kump, HHA Director of Special Projects, were present to provide further information regarding the McCleary Hill project.

Mr. Shankle reported that the HHA will not be subsidizing housing for tenants at the McCleary Hill project. A tenant could be receiving Section 8 housing assistance, but the subsidy would not be provided by the HHA.

Councilmember Metzner clarified that subsidized housing is not only Section 8 housing. The HHA needs to understand that the Council does not want to increase subsidized housing. It looks to him as if there will be an increase in subsidized housing.

Mr. Shankle stated the HHA has authority for 870 Section 8 vouchers. It is up to the tenant and the landlord as to where the vouchers are used.

Councilmember Brubaker asked if a pledge could be made that there will be no Section 8 vouchers used at McCleary Hill. Mr. Shankle stated that is not possible because the HHA does not establish locations for voucher holders. It could be made a condition that there will not be an increase in subsidized housing.

Councilmember Nigh asked if Section 8 vouchers are limited in terms of the location of a housing unit. Mr. Shankle stated the vouchers can be used statewide. Councilmember Nigh is concerned that all the residences will be rentals.

Mr. Kump mentioned that many Washington County Section 8 voucher holders want to move to places such as Montgomery County. Mr. Shankle stated that the Housing Authority has to pay the higher rental rate for other areas.

Mayor Gysberts asked if Section 8 vouchers can be revoked. Mr. Shankle confirmed they can be. If the HHA is aware of criminal activity they can revoke the license. The holder cannot take the voucher to another residence without the HHA's approval.

Mayor Gysberts asked if there is a role for the HHA in helping landlords keep neighborhoods strong. Mr. Shankle indicated the HHA has a screening process but many landlords don't conduct their own screening of potential tenants. The HHA met with Chief Holtzman recently to discuss how to address the issue of tenants moving from place to place when they become a nuisance. The HHA has been receiving information from the police department regarding nuisance calls.

Mayor Gysberts noted that most Section 8 voucher holders are responsible residents. However, the problems with a few tenants creates a negative perception about Section 8 housing.

Mr. Zimmerman noted that Mr. Shankle stated in an email that 90% of the 325 units will be income restricted. This means 32 units will not be income restricted. He asked Mr. Shankle to explain this.

Mr. Shankle stated this project will be comprised of tenants with income of 80% of the area median income or less. There will be market rate units as well that will not have income restrictions for the tenant.

John Lestitian, Director of the Department of Community and Economic Development, stated the application to the State of Maryland indicates 90% of Phase 1 will be income restricted. Of that 90%, 63 units will be restricted to people with 30% of

the area median income or less and 16 units will be restricted to people with 40% of the area median income or less. The market rate target is actually 60% of the median income.

Mr. Zimmerman stated staff is trying to clarify that there will be a higher level of poverty at this location.

Mr. Shankle stated the poverty level will be similar to that of Gateway Crossing. The HHA application statistics do make it seem that there will be a concentration of poverty at the location but that is not true. He expects that people with higher income will want to move to the McCleary Hill project.

Mr. Zimmerman wondered how people with higher incomes could move to the new location since there are income restrictions for tenants.

Mr. Kump stated looking at the maximum allowable income for each of the levels does not provide an accurate view. The entire project plan has to be considered. For example, the income limits at Noland Village are \$ 13,000 annually and for Gateway Crossing the income limits are \$ 23,000 annually. The true basis is the composition of the earned income families.

Councilmember Brubaker clarified there are restricted income levels on many of the units.

Mr. Shankle stated many of the same questions could have been asked about Gateway Crossing. The HHA is using Gateway Crossing as the model for McCleary Hill.

Mr. Lestitian stated it would be helpful, as the income levels are evaluated, to know how many residents are at 30%, 40%, 60% and 80% of the average median income. Mr. Shankle can provide this information. Mr. Lestitian stated a frequent concern is that a program is designed that creates a higher concentration of poverty.

Mr. Shankle stated that is not an accurate assumption for this project. The HHA can provide the demographics for both Noland Village and Gateway Crossing. He pointed out if the HHA does not move forward with the McCleary Hill project, Noland Village will still exist.

Councilmember Brubaker expressed concern that the 75 market rate units will be filled quickly because there are no income restrictions, leaving the remainder with lower income levels.

Mr. Shankle stated the HHA would screen all tenants and make sure they have the credentials that a landlord would be looking for in a good tenant. This process has been successful at Gateway Crossing.

Mayor Gysberts wondered how many Section 8 vouchers are revoked and how it compares to other jurisdictions. He also asked if there will be opportunities for public input from the current Noland Village residents and residents in the surrounding neighborhood.

Mr. Shankle stated a series of neighborhood/community meetings are part of the application process, if the application survives the first round of review by the State of Maryland. These meetings would be held prior to meeting with the City's Planning Commission.

Councilmember Munson asked what the cost to taxpayers will be to maintain Noland Village, if it is not replaced. Mr. Shankle stated the cost will be \$ 8 million to \$ 10 million in the next five years. The Housing Authority is donating the development fee back into the project. The HHA does not want to do anything that goes against the community. They are not going to proceed with a project that the City of Hagerstown and the Planning Commission are not pleased with. They could give the money back if necessary.

Mr. Zimmerman asked if there is a requirement that Noland Village must be replaced with similar housing. Mr. Shankle stated he thinks it is what everyone wants – affordable housing.

Councilmember Munson asked if the number of Section 8 vouchers in a community is established by the Federal government. Mr. Shankle stated the number of vouchers in the City is disproportionate and some should be pushed out to the County. This has been mentioned to the County but they have not attempted to make any changes at this time.

Mayor Gysberts asked if a combined Housing Board is feasible. Mr. Shankle stated there was a combined board 16 years ago and he believes a combined board is a real possibility. It would be difficult for the HHA to deal with all the jurisdictions, but it can be accomplished.

Mr. Shankle asked that the City at least not harm the project application if they are not going to support it. The funding is the most critical piece at this time.

Mayor Gysberts does not think anyone disagrees with redevelopment of that area.

Councilmember Munson does not think there is anyone interested in concentrating poverty in one area. He asked if this project implies that poverty will exist somewhere else. Mr. Shankle stated it depends on how the project and housing is managed.

Councilmember Brubaker is trying to determine whether this project will result in an increase in low income housing in Hagerstown.

Councilmember Munson asked if there are plans to make Armstrong Avenue and Sweeney Drive through streets. Mr. Shankle stated he is not aware of any such plans.

The HHA has been discussing having one entrance to the development with Chief Holtzman. They have also discussed crime prevention strategies with Officer Kendle. Security levels will not decrease.

Further discussion of the project will be scheduled as it progresses.

Catalyst Project #1 – RFQ for Developer/Partner for Office Development and Recruitment Project

Jill Frick, Economic Development Manager, and Kathleen Maher, Planning Director, were present to being a review of the details of the draft Request for Qualifications (RFQ) for a developer/partner for Catalyst Project #1 – Office Development and Recruitment.

As briefed on October 21, 2014, staff have worked with Urban Partners on an RFQ to assist the City in selecting a developer/partner for Catalyst Project #1. The Reason Urban Partners recommended an RFQ rather than a Request for Proposals (RFP) for this project is that the City generally knows what they want to have happen with Catalyst Project #1, but a process is needed to identify a partner with sufficient qualifications to undertake the project. Once the City is satisfied regarding the qualifications of a potential developer/partner, they would then negotiate on the proposed path forward on how the project will be undertaken with the highest ranked candidate.

The proposed selection process anticipates an interview of a short list of developers with the Mayor and City Council. Once authorized to proceed, staff would negotiate terms with the highest ranked candidate. If terms cannot be reached, the City would proceed to enter negotiations with an alternative candidate. As described in the RFQ, it is anticipated that if the selected developer does not perform to certain expectations within the initial five year period of the partnership that the City has the option to terminate the arrangement.

If approved to proceed with the RFQ, staff plan to immediately forward the RFQ to interested developers and post the RFQ to various web sites and appropriate media outlets likely to attract the attention of qualified developers for the project. The proposed deadline for submittal of response is March 1, 2015. This should allow for selection of the developer/partner in the 2nd quarter of CY 2015.

The quantity of development anticipated is up to 154,000 sf across portions of the Central Parking Lot and on the M & T Bank parcel.

Land Use Types anticipated are storefronts (active pedestrian-traffic-generating uses), such as restaurants, retail, bars, art galleries, performing or visual art studio, fitness centers, banks, etc. The second and third floors and any rear floor space would be offices (no social service agencies or ambulatory health care entities). For the fourth floor and higher, non-office uses would be considered. The acquisition cost for the city-owned Site A1 and Site B are available free of cost as a City contribution to the project. M & T

Bank-owned Site A2 availability is subject to negotiations between the selected developer and M & T Bank. Any subsequent land transfers of City-owned property within the Central Parking Lot will be considered through the City's Competitive Negotiated Sales Process of City-owned Property. The land will be transferred as needed to capture specific office development opportunities.

The City will make available 280 off-street parking spaces at prevailing prices (not at the A & E deck).

Incentives available to the developer include transfer of the City-owned land free of cost, recommend reserving at a minimum \$ 250,000 in First Third Grant funding for the first building, PEP incentives for the buildings, Enterprise Zone property tax credits, Washington County new Job Tax Credit (property tax credit), and Enterprise Zone income tax credits. Staff recommend reservations for additional building(s) would be desirable in the First Third Grant Program.

PEP incentives include a real estate tax grant-back for five years, waived permit and plan review fees, free and discounted parking for five years (five spaces for commercial project; one space per unit for residential project), Upper Floor Rent Relief grants for first tenants, and two free EDU's of water and wastewater (valued at \$ 13,800).

Councilmember Munson asked if certain types of businesses would be allowed to locate within this area. Ms. Maher stated the regulations established can including prohibiting certain businesses.

Councilmember Aleshire wondered if the restrictions remain with the property if it sold. Ms. Maher indicated the Land Management Code will restrict this area to uses that increase pedestrian traffic. Regulations for housing would be specific to this proposal.

Mayor Gysberts stated the City can determine what will work to entice development.

Councilmember Brubaker stated there needs to be a way to emphasize that the Mayor and City Council want high quality office space.

Councilmember Metzner pointed out a developer that creates Class A office space would not have a Section 8 rental unit on an upper floor in the same building.

Mr. Zimmerman pointed out applying conditions on this property is not the same as applying general conditions on property use.

Councilmember Brubaker stated he thinks the land use types for 4th floor and higher should also be specified as Class A.

Councilmember Aleshire would prefer to not have First Third funding reserved for additional buildings if the project has not been started. Mr. Zimmerman stated staff can return to the Council with a schedule on the process that will be used.

The Developer Designation will be for a minimum of five years subject to on-going developer documentation of aggressive efforts to recruit office users. The City reserves the right to terminate the partnership, if agreed upon recruitment and/or other performance measures are not met during the five year period. The period may be extended for an additional timeframe, provided the developer efforts result in a minimum of 40,000 sf of new office development built or under construction during the initial period; and the City remains satisfied with the developer's performance in recruitment.

Staff will review submissions and select a short list of candidates for interview and ranking. The recommended candidate will make a presentation to the Mayor and City Council for consideration.

Negotiations will include specific marketing efforts to be undertaken by the developer, required communication between the City and the developer, responsibilities of the City in timing of plan review and provision of parking and transfer of land, and the developer's responsibility to document financial capability to complete the development.

If an agreement cannot be achieved, staff will proceed with negotiations with an alternate candidate subject to approval of the Mayor and City Council.

Councilmember Aleshire wondered if the M & T Building is included in the acquisition possibilities because it is an existing good office building. Mayor Gysberts stated he thinks the proximity to City owned land makes the M & T Building part of the possible acquisitions.

Ms. Maher stated Urban Partners suggested that the City's surface parking lot would be good to jump start the project since the infrastructure is already in place.

Mr. Zimmerman stated staff will begin advertising the RFQ on November 18, 2014, if the Mayor and City Council approve. Proposals will be due March 1, 2015.

Councilmember Munson thanked staff for the detailed information presented at this meeting.

City Center Dollars 2.0

Andrew Sargent, Downtown Manager, was present to discuss the City Center Dollar program. The goal of the City Center Dollar program is to encourage private money to be spent with the various merchants of downtown Hagerstown.

When the City Center Dollars program was started in time for the holiday season of 2012, \$ 4,175 was spent to purchase the certificates. In 2013, \$ 30,075 was spent through the program. Sales are on track in 2014 to sell more than \$ 60,000 in City Center Dollars – all money that has been and will be spent with downtown merchants. The DCED's holiday incentive promotion of this program helps the effort. During the months of

November and December, for every \$ 20 spent on City Center Dollars, the City subsidizes an additional \$5. This program helped to drive the sale of the City Center Dollars for two reasons: it was a very good deal for the customers and the merchants helped to promote this fact to their customers.

All this success has come at a cost. With the increase in the number of certificates sold, a significant increase in both staff time and merchant time is spent processing those certificates. Since the merchants are seeing more certificates come through their doors, they are stockpiling a greater amount of money for reimbursement. And that reimbursement happens on a monthly basis. On the staff end of the process, there is a far greater number of certificates to count, justify and verify before reimbursement is sent to the merchant. In short, the program has become a success beyond what the process can efficiently handle.

After extensive research of various programs, we have found a system that accomplishes the goals for City Center Dollars while accommodating efficient expansion of the program. Through a vendor called GiftLocal Association (a subsidiary of GiftCards.com), a closed merchant loop will be created using the Discover network. The Discover network is the only credit card that allows their cards to be used at designated merchants and not others.

After designating those participating merchants, the GiftLocal Association offers the following attributes:

1. City Center Dollars 2.0 is a gift-card product that is customized and branded as “City Center Dollars”.
2. The cards are run through the merchant’s credit card processing machine on the Discover card network.
3. The merchant gets paid back quickly, depending on their agreement with their credit card processor.
4. The cards are ordered on-line. There is a shipping/handling charge depending on the amount of the card, starting at \$ 2.95.
5. The City Center Dollar Cards will come in amounts starting at \$ 20.
6. GiftLocal allows the City to incentivize the program.
7. An annual fee of \$ 495 is charged for the program, which will be paid out of the Economic Development budget.

This upgrade to the program was introduced to the Downtown Alliance and there are few questions and no concerns.

Promotion for the new process will begin soon.

Snow Operation Procedures

Eric Deike, Director of Public Works, was present to provide a review of the current procedures of the City’s snow plowing and snow removal operations.

The clearing of snow from the streets and sidewalks is an important service provided by the City of Hagerstown. Streets need to be made passable first for emergency vehicles and second for the day-to-day business of the citizens. Sidewalks also need to be cleared for the safety and welfare of citizens.

Public Works currently requires every employee within the department to work during snow event. Personnel from other departments will assist during the bigger snow events. Equipment within Public Works includes eight dump trucks equipped with road salt spreaders and snow blades; three smaller 1-ton dump trucks equipped with road salt spreaders and snow blades; and several pickup trucks and stake body trucks equipped with snow blades. The fleet also includes two backhoes and two small, garden tractors. The City uses a variety of chemicals to battle snow and ice. The road salt used is sodium chloride and is typically purchased through a state contract. A potassium based product is used to melt snow on concrete sidewalks while a calcium chloride product is used on the brick sidewalks.

Should storms become extreme, outside contactors can be contacted to assist with clean-up and snow removal. This has not been necessary for many years including during the blizzard of 2009/2010.

Each of the larger dump trucks has been assigned to a pre-determined route. Smaller trucks are assigned to assist with the routes depending upon the weather conditions. Two of the 1-ton trucks are also assigned to pre-determined routes which include streets that are too narrow for the larger trucks. These units also assist in clearing the city owned parking lots. The snow fighting procedure to be followed in combating any storm will depend upon the humidity, temperature, time of day or night, the condition of the pavement, the nature of the precipitation and the forecast at the start of the storm.

The City's streets are divided into two main categories: primary and secondary. The primary streets are given priority and plowed first. The secondary streets are then addressed. Priority is also given to the State highways routes and the downtown business district. Sidewalks are usually not handled until after the storm subsides. This, too, is dependent upon the nature of the storm.

The City owned buildings downtown are overseen by the custodial crews. The other city owned sidewalks are handled by the street crew.

The question of clearing alleys is asked very year. For years, the policy has been that alleys are not plowed within the City. In most cases, there is no place to push the snow due to the close proximity of the buildings.

Heavily salting the alleys to aid in the melting of the snow works well most of the time. There are exceptions to the alley policy. There are a handful of residents whose homes face an alley and not a street. These are plowed as if they are a street.

Unfortunately, the plowing of streets creates a problem for alleys and driveways. Plowing leaves a windrow of snow along each side of street. Property owners are responsible for clearing the snow left in front of their driveways. The goal is to open the public rights-of-way and clearing all the private driveways by the workforce is simply impractical.

From time to time, the City is asked to plow privately maintained streets. The current policy is that private streets are not plowed with city resources. Most private streets have not been constructed per the City's construction standards and are planned that way from the initial design phase.

There are several general issues that may or may not ever be resolved. Plowing involves the process of pushing the snow out of the main flow of traffic. It is not a snow removal process whereas the snow is hauled to another location. Plowed snow is typically pushed to the sides of a street into parking spaces, onto sidewalks and across the openings of alleys.

The issue becomes what to do with the snow pushed into the parking spaces, alleys, and sidewalks. Residents and businesses, especially downtown, sometimes push the snow back into the street. What ensues is a never ending battle about where to place the snow. The snow plowed from the street and the snow shoveled from the sidewalks can end up along the curb line. This creates a pedestrian obstacle in the downtown business district and along metered parking.

The snow removal process involves the collection and removal of the snow from one area for the disposal of the material to another.

This procedure is usually only taken under extreme circumstances due to the cost and inconvenience. Streets have to be closed and vehicles moved for this operation to be efficient and effective.

Snow plowing and snow removal are very costly operations. These procedures involve numerous employees, equipment and materials. On many occasions, overtime is involved.

The current fiscal year budget for snow operations is \$ 358,900. However, the costs can widely vary depending on when the storm occurs such as holidays and weekends which inflate labor costs.

It is due to these high costs that snow removal operations are always carefully considered.

Councilmember Aleshire asked when violations are posted if snow isn't cleared in the business district. Mr. Deike indicated the Code Enforcement division handles violations. Councilmember Aleshire has received complaints that a violation is not posted until after the area has turned into ice.

Mayor Gysberts suggested notifying residents now, before it snows, what their responsibility for removing the snow is.

Councilmember Metzner wondered if it isn't more economical for the City to remove the snow in the central business district.

Councilmember Aleshire thinks this is worth reviewing. He supports subcontracting the work out for this year.

Public Works Operations Review

Eric Deike, Director of Public Works, was present to provide an overview of the Public Works operations.

Overall, Public Works leans heavily towards maintenance operations and not too much into new construction or projects.

Public Works can be divided into five areas of responsibility. These include Streets, Building Maintenance, Traffic Control, Fleet Maintenance and Parking. The department operates with a full time staff of 24 field personnel, 2 support staff and 5 command staff. Operating costs, less the Parking System, is approximately \$ 3.2 million.

Public Works currently has five vacant positions with the longest vacancy being six years. The department does not have an assistant director of operations. That position was vacated in the year 2000.

Engineering has entered into a contract to plant an additional 500 trees throughout the City. Of those, approximately 200 will be planted in the public right-of-way in sidewalks. This will bring the total number of street trees to over 2,400 trees. Staff oversees the trimming and pruning of any of the street trees and works with engineering staff to repair sidewalks damaged by street trees.

The Emerald Ash Borer has invaded the area and affected many of these trees. A plan of action will need to be determined for the few street trees that are Ash. The hope is to save many of the Ash trees through insecticide treatment. A review of the trees and their health will have to be conducted in the spring before treatment begins.

There are currently over 4,000 storm drains throughout the City. Many are older structures that require reconstruction of a portion of the drain. Typically, work is completed on those drains that impact the street overlay program.

The street sweeping operations is an important function for the City. The intent is to run two street sweepers on a continual basis Monday through Friday. A large portion of the downtown is swept weekly through a program of permanently posted streets.

Public Works oversees the maintenance of several structures in the downtown. Those properties include City Hall, 36-40 North Potomac Street, 14 North Potomac Street, 53 West Washington Street, 60 West Washington Street, 170 West Washington Street, Roslyn Building, Market House and the Central Equipment Building.

Work on most of the properties is a matter of maintaining the facilities. Staff is working closely with DCED to modify the Market House to relocate several tenants and to remodel the back room portion of the facility. Additional work will be needed as future plans for the building come online.

Offices will be remodeled later this year or early next year on the fourth floor of City Hall. The work is mostly painting and new floor coverings. The work is to expand offices for the additional code enforcement officers that will be hired in the near future.

The plan for fiscal year 2016 is to paint the clock tower at City Hall and install a separate air conditioning system for the Council Chamber.

No major projects are currently in the works for traffic control. Work continues maintaining the system of thousands of signs and 131 signalized intersections.

A staff of four mechanics oversees the maintenance of the City's fleet of over 300 vehicles and pieces of equipment. The Central Maintenance Garage is space that is rented from the City Light Department at 425 E. Baltimore Street. Work has been progressing for several months on the installation of a new fuel management system. The next project will be the replacement of the emergency generator designed to temporarily power the fuel pumps. The existing generator is thirty plus years old and needs to be replaced to provide a reliable backup source of power.

The budget is currently programmed to replace a large dump truck, a smaller dump truck, a pickup truck, and several smaller items such as trailers. The estimated cost is \$ 301,000, which is mostly bond financing.

Two full time and eight part time staff manage the parking system. Parking consists of 2 parking decks, 11 parking lots and on-street parking. Some of the parking lots are residential lots that serve specific neighborhood needs and are neither metered nor permitted. Parking enforcement falls under the responsibility of the Hagerstown Police Department.

The parking system is an enterprise fund that operates from the monies received from the users of the system. Funding is not direct tax dollars. Operating revenues are in the range of \$ 900,000 and are projected to be approximately \$ 950,000 in FY15. Expenses run in the \$ 750,000 to \$ 800,000 range.

There is a planned focus on the repair and maintenance of the system over the next five years. The parking decks will also continue to receive refurbishments and improvements as needed. There will continue to be a focus on the possibility of

constructing a third parking deck. Data continues to be collected on occupancy rates for the current decks. The average occupancy of both decks through a normal work week ranges from 55% to 60%.

The construction of new office space could also expedite the construction of other parking facilities as described in the Urban Planners report of 2014. Staff will work in conjunction with other City departments to determine when the timing is right to move forward on such a project.

Councilmember Aleshire stated he has wondered if the County could use the City's Central Maintenance Garage, since the County has a number of small garages.

Mr. Deike stated one supervisor maintains the signal and property maintenance operations. Because of the number of properties to oversee, staff feels it would be a good idea to split the position; however funding a second position has not been possible.

Mr. Zimmerman agrees and pointed out this operation does not have the opportunity to increase fees to cover the costs of an additional staff person.

Utilities Department Update

Michael Spiker, Director of Utilities, Nancy Hausrath, Water Operations Manager, Nathan Fridinger, Electric Operations Manager, and Joe Moss, Wastewater Operations Manager, were present to provide an update of the Utilities Department.

The following is a list of FY15 projects and major priorities for FY 16 projects. The lists are not all inclusive and detail the highlights of the Water, Wastewater and Electric Divisions CIP.

Water

1. R. C. Willson Phase IV Plant Improvements – The primary focus of this project is a major chemical upgrade to achieve compliance with the Stage 2 Disinfectant By-Product Rule. Also included in this project is the completion of the SCADA upgrade. The project budget submitted for funding approval is \$ 13,664,964.
2. Water Distribution System Meter Replacement Program – This project will result in the replacement and/or upgrade to a radio read meter system. All work is done in-house by Water Distribution personnel. Annual cost is approximately \$ 500,000.
3. Water Distribution System Main Replacement Program – This project replaces approximately 0.25 miles of water distribution mains annually. All work is done in-house by Water Distribution personnel. Annual cost is approximately \$ 1.5 million.
4. Edgemont Reservoir – Beginning in 2007, Maryland Department of the Environment Dam Safety Division (MDE) has required continuous monitoring of the reservoir embankment toe and spillway for seepage, in

addition to other monitoring. To date, the repair work has proven to be unsuccessful. The historical seepage continues to pose a problem and new seepage locations have developed. MDE has initiated conversation regarding the issuance of a Consent Agreement to either make significant capital improvements to the reservoir and consideration for the identification of an alternate source. Triad Engineering has been and continues to be the Engineer of Record for the ongoing work at Edgemont. Once a determination is made on the viability of reliable source water, the Breichner Plant will have to be upgraded for compliance with the Stage 2 regulations.

5. Major Water Divisions projects for Fiscal 2015/2016 include major update to the Risk Management Plan and OSHA PSM for Highly Hazardous Chemicals. Additionally, the Water Master Plan is now nine years old and will need to be updated for future long term planning.

Wastewater:

1. Wastewater Treatment Plant Improvements – The plant will purchase and install new liquid polymer mixing system for sludge thickening process.
2. Synagro Upgrades Phase I – Sludge storage and Thickening Improvements – The project scope is to complete modifications to an existing tank currently not in service which will then serve as a second thickened sludge holding tank.
3. Major Wastewater Division projects for Fiscal Year 2015/2016 include Synagro Phase 2 upgrades to major components of the Pelletizing, the creation of a permanent storage and pumping facility for magnesium oxide, Pump Station 8 pump replacements, Pump Station 6 replacement, and the elimination of Pump Station 15.

Electric:

1. Vehicle Replacement – Staff is anticipating the approval of a new 40' bucket truck to be delivered by the end of FY15. The replacement of one of the 50' material handling bucket trucks is due for replacement in FY16.
2. Telemetry Equipment – HLD Planning has begun the process required to install fiber optic cable between the Plant Substation and Wesel Substation for the purposes of SCADA and security.
3. Building and Site Improvements - The installation of a staged roof replacement at the HLD office has been delayed in FY15 so that the full installation of all three sections can be completed in FY16. Bond funding will be requested for the FY16 improvement.
4. Substation Spare Regulators – The last of the GE units at the Frederick Street Substation are scheduled to be refurbished in FY15. Refurbishing the regulator units at Mitchell Substation are planned to begin in FY16 and end in FY17.
5. Distribution Feeder Coordination/System Improvement – FY15 and FY16 goals are to review and improve fuse coordination to prevent unnecessary outages on the system.

Mr. Spiker pointed out there may be an opportunity to move to another type of water treatment/storage process at the Edgemont Reservoir. Councilmember Metzner is concerned about the liability of the Breichner Plant and wondered if it needs to be kept in operation. A discussion of the options will be presented at a later date, after more information is gathered.

Alley Lighting Request

Michael Spiker, Director of Utilities, provided additional information regarding the October 7, 2014 Mayor and Council discussion regarding motion detected alley lighting.

The light fixtures used by the HLD are of HID (high intensity discharge) type. These fixtures do not provide an instant-on solution. Moving forward with a motion detection lighting system would require a new fixture type. Lighting manufacturers do not offer motion detection devices for a “streetlight” application.

The mounting height of streetlight installation relies on the NESC (National Electrical Safety Code) to consider clearance distances over driveways and street crossings and communication conductors. Depending on pole space available in alleyways, lights are typically mounted between 20 to 30 feet.

Light fixtures that are partially on or dimmed during certain times of the night will make it difficult to predict usage for appropriate monthly billing.

In order to address alleyway concerns, HLD staff would suggest the utilization of third party installed mobile, battery operated camera/security lighting in alleyways designated as areas of concerns under the direction of the HPD. These cameras/security lights are installed approximately 10-12 feet above the road way and are capable of instantaneous lighting/camera shots that are downloaded to retrieve the movement within the alley. The lighting function (in certain models) of the battery operated security lighting can be set to remain on for a specified amount of time.

CITY ADMINISTRATOR’S COMMENTS

Bruce Zimmerman, City Administrator, noted there will be no change in the refuse collection schedule for Veteran’s Day (November 11, 2014).

MAYOR AND COUNCIL COMMENTS

Councilmember L. C. Metzner thanked Councilmember Nigh and Karen Giffin, Community Affairs Manager, for their efforts with the recently held Utility Relief Benefit concert.

Councilmember P. M. Nigh will provide a final report of the Utility Relief fundraising efforts when it is completed. She stated Ms. Giffin needs more help with all she has to do. She is concerned about where the homeless will go when the REACH shelter is full.

Councilmember M. E. Brubaker encouraged everyone to vote, if they haven't already.

Councilmember K. B. Aleshire pointed out that the architect's rendition in the RFQ for the office development and recruitment project is not the only possibility.

Councilmember D. F. Munson believes the demolition of the MELP building will help make the City a better place.

Mayor D. S. Gysberts reported Broadfording Road is now open. He thanked everyone involved in this project. An electronic recycling event is being held on Saturday, November 15, 2014 at the Municipal Stadium parking lot.

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 6:27 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: January 27, 2014