

EXECUTIVE SESSION – November 5, 2019

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 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 5, 2019 at 3:06 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, City Administrator Scott Nicewarner, Michelle Hepburn, Director of Finance, Don Francis, Director of Human Resources, Kevin DeHaven, Safety & Risk Management Administrator, and Donna K. Spickler, City Clerk.

The meeting was held to discuss various personnel issues, the legal services contract, and membership of the Board of Code Appeals, the Board of Zoning Appeals, and the Planning Commission. On a motion duly made, seconded, and passed, the meeting was adjourned at 3:44 p.m.

WORK SESSION – November 5, 2019

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:00 p.m., Tuesday, November 5, 2019 in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, A. Heffernan, E. Keller, S. McIntire, and L. C. Metzner, City Administrator Scott A. Nicewarner, and City Clerk D. K. Spickler.

Evergreen Solutions Wage Study

Don Francis, Director of Human Resources, Kevin DeHaven, Safety and Risk Management Administrator, and Nancy Berkley, Evergreen Solutions, were present to discuss the comprehensive compensation study completed by Evergreen Solutions, LLC.

The purpose of this evaluation was to provide an overall assessment of the City's non-union compensation structure, employee salary progression, and employee counts in each department and make recommendations to improve the City's competitive position in the labor market.

During the assessment phases of the study, which included peer market comparisons, it became increasingly apparent that the City's non-union classifications are far below the market average. Ultimately, the study revealed that the non-union positions were approximately 22 percent below the average market minimum.

Ms. Berkley indicated Evergreen Solutions, LLC was asked to focus on non-union compensation. They also surveyed positions of non-union and union selections. They are making recommendations to review the non-union salary structure. This was a compensation only study. It was not a full compensation and class study. She stated they understand the City wants to continue with the same step-based plan. The scale was compared to competitive peers, who are those close enough for people to travel to without relocating.

The City's current pay plan for non-union positions is a step-based pay plan with 21 grades and 14 steps for 130 Non-Union employees. Salary range data was collected for 36 non-union benchmark classifications. The comparison indicated 18.2% of the classifications were lower than the midpoint average. The 10 union benchmark classifications were 1.7% lower than the midpoint.

Evergreen found the City's salary ranges were behind its desired market position for many of the benchmark classifications at the minimum, midpoint, and maximums, thus indicating a need for updates/revisions to remain competitive. The structure, or design, of the pay plan itself was sound. Making market competitive revisions to the plan would provide the City with an improved ability to attract, hire and retain employees.

Based on the analysis, a recommendation to develop and implement a revised competitive Non-Union step plan aligned with the City's compensation philosophy that reflects its desired market position and best practices; slot all classifications in to the plans based on external and internal equity; and implement the revised structure by transitioning employees' salaries into the plan. The revised non-union plan is based on an increase of 7% across the scale.

Employees' salaries were compared to the minimums of their classification's proposed pay range. If an employee's salary was below his or her classification's pay range minimum, an adjustment was proposed to raise the individual's salary to the minimum.

Then, employees' annualized cost of this implementation method is \$ 138,698. All 130 non-union employees would receive adjustments (with an average of 1.6% salary adjustment). The revised plan and this methodology provide employees increased opportunity for salary progression.

Additional recommendations include conducting compensation studies every three to five years and to consider conducting a full classification and compensation study every five years.

Councilmember Heffernan asked if placing an employee on the scale closest to their current step is the easiest way to make an adjustment. Ms. Beckley indicated it is and the original step would no longer be relevant. She also indicated this is a relatively conservative adjustment to the pay scale.

Councilmember Aleshire is concerned that the peer group also included locations that have significantly higher median household income than Hagerstown. He wondered if this and property values were taken into consideration during the analysis. Ms. Beckley indicated competing jurisdictions were discussed with the group before conducting the survey.

Mr. Francis stated the group discussed whether or not to level the data. They felt it was more important to know where the City stands initially. What is done with the information will require further discussion.

Councilmember Aleshire hopes employees understand the difference in household income in other jurisdictions. Unless taxes are significantly increased, there is no equation that allows the City of Hagerstown to compete with higher median income communities.

Councilmember Heffernan stated services and other expenses have to be reviewed.

Councilmember Keller asked what the next steps are to fix this situation.

Mr. Francis indicated presenting the information to the Mayor and City Council is the first step. Staff will now analyze the information and develop proposals for the Mayor and City Council's consideration.

Councilmember Keller pointed out any action has to be sustainable. She doesn't want this to still be an issue in 5 to 10 years.

Councilmember McIntire asked if routine studies would help. Mr. Francis indicated they would, but this situation can't be corrected immediately.

Mr. Nicewarner stated he doesn't think the results are a surprise, considering the recent recession. The next step is to catch up salaries for both non-union and union employees.

The study results and solutions will be discussed further at a future Work Session.

#### Haven Road "Safe Route to School" Project: Proposed Change to Local Match Source of Funds

Rodney Tissue, City Engineer, was present to discuss the Safe Route to School project on Haven Road. In May, the City Council approved a contract to construct sidewalks on Haven Road and also sidewalk and signal improvements on Pennsylvania Avenue. The award was based on the following funding plan:

1. 80% (\$ 440,000) from the Safe Routes to School grant program the State of Maryland manages
2. 20% local match (\$ 125,000) using State Aid funds the City receives from the State for various transportation projects each year

While the Safe Routes to School funding is completely approved, the State Highway Administration will not provide the City an approval on the State Aid as a local match. Despite having an 8/16/2017 email from the State Highway that State Aid is an acceptable local match, apparently that decision was no longer valid. Staff have attempted to get State Highway to approve the use of State Aid match for this project since June but they won't provide an official decision on this matter.

Therefore, rather than lose more time toward getting project completed, it is staff's recommendation that \$ 125,000 in General Fund surplus be used as the City's match. The State Aid funds would be used on another project, of the City's choosing.

It was the general consensus to approve the use of General Fund Surplus for the local match. Mayor Bruchey suggested discussing this situation with the Washington County Delegation at the meeting tomorrow.

To allow time for Hagerstown Suns representatives to arrive at the meeting, the order of the agenda was amended.

#### Invitation to Visit Wesel, Germany

Mr. Nicewarner stated Ulrike Westkamp, Mayoress of Wesel, German, has issued an invitation to the City of Hagerstown to visit Wesel during their commemoration of 75 years of No More War. In February 1945, Wesel was almost completely destroyed by scores of air raids. The commemoration is being held between February 14 and 16, 2020. Mr. Nicewarner pointed out groups from Wesel have often visited Hagerstown.

Lodging will be provided by the City of Wesel, as well as some meals. The City would be responsible for the cost of air fare.

Councilmember Metzner noted the long-standing relationship with Wesel and it would be good for Hagerstown officials to attend this commemoration. It would not be unreasonable for the City to pay for the airfare. He believes the experience would be positive and would enhance the exchange relationship with students.

Mayor Bruchey asked the Council to consider the invitation and let Mr. Nicewarner know who would like to attend by December 1, 2019.

#### Proposed Stadium Improvements for the 2020 Season

Rodney Tissue, City Engineer, and Tim McDulin, Hagerstown Suns President, were present to discuss general maintenance at Municipal Stadium.

Per the Fifth Amendment to the Lease Agreement (dated April, 2018), the City will invest up to \$ 35,000 in "upgrades" to the stadium. The City Council has the absolute discretion to determine what upgrades to perform. In addition, the amendment says the

City is responsible for general maintenance, repair and upkeep of the grandstand, seating areas, clubhouse, field lighting and outfield wall.

Last month staff met with the Suns management staff to discuss improvements for the 2020 season. The first home game is April 16, 2020.

The following items are requested by the Suns (in priority order);

1. Allowance for additional hood vent and fan for suppression for additional concession area	\$ 10,000
2. Replace rubber flooring dugout steps	250
3. Repair picnic tables	500
4. Supply paint for masonry perimeter wall	2,250
5. Powerwash and coat beer garden	3,000
6. Install wall in team store	<u>5,000</u>
Total Request	\$ 21,000

Items suggested by City Parks and Engineering staff (in priority order). City staff also have a list of items that need completed at the stadium in the near future:

1. Finish repairs on third base bleachers (first phase completed in April, 2019)	\$ 13,000
2. Replace shade canopy (2013 installed)	4,000
3. Outfield wall cap masonry repairs	4,000
4. Replace groundskeeper building door	1,000
5. Replace (w/metal) roof 3 <sup>rd</sup> base restrooms	6,000
6. Replace (w/metal) roof club house	25,000
7. Replace HVAC club house	35,000
8. Modify outfield wall for drainage	10,000
9. Replace (w/metal) roof on batting cage	<u>7,000</u>
Total request	\$105,000

While the Suns would like the City to do their entire list, staff recommends attempting to address the top items from each list. Mr. Tissue suggest completing Suns list 114 and City's list 114, for a total cost of around \$ 35,000. That said, it is becoming more and more evident this is an unsustainable process. The general condition of the stadium is deteriorating and even if the full \$ 35,000 was earmarked for maintenance and repairs, staff would not be able to keep up. The next lease must address this issue.

As a reminder, the Suns' Player Development Contract with the Washington Nationals is through 2020 and the lease is in place through the 2021 season.

Mr. Tissue stated the bleachers were installed in the 1940's and no other maintenance has occurred since then. The repair started last season should continue.

Mr. McDulin stated the Suns list includes improvements that would provide a more enjoyable experience for fans.

Mayor Bruchey noted the HVAC system in the club house repeatedly breaks down.

Mr. Nicewarner asked if modifying the outfield wall for drainage would address the clubhouse flooding. Mr. Tissue doesn't know if it would eliminate it, but it would most likely help.

Councilmember Heffernan stated the repairs to the bleachers appear to be a safety issue and should be completed.

Mr. McDulin stated they are reviewing their concessions operations and an additional concession stand would allow them to increase their menu.

Councilmember Keller asked how the cost estimates were determined. She suggested getting quotes for the work. Mr. Tissue noted much of the work would be completed in-house.

Councilmember Aleshire reminded everyone of the letter about player safety and development compliance. He asked if these repairs would improve the Suns compliance status.

Mr. Nicewarner asked if there is a document that indicates what compliance means in this circumstance.

Mayor Bruchey noted that, in 2013, Minor League Baseball officials stated the only thing compliant at Municipal stadium was the size of the locker rooms. Major League baseball regulations change on a constant basis.

Councilmember Metzner supports staff's recommendation.

Councilmember Heffernan suggested delaying the shade canopy replacement for another year, which will provide an additional \$ 4,000 for another repair.

It was the general consensus to accept staff's recommendation for the noted repairs.

### **CITY ADMINISTRATOR'S COMMENTS**

*Scott A. Nicewarner, City Administrator*, reminded everyone that the electronic recycling and document shredding event will take place on November 9, 2019 at Municipal Stadium, rain or shine. This collection is for City residents and only for residential electronics. City offices will be closed on Monday, November 11, 2019 in recognition of Veteran's Day.

### **MAYOR AND COUNCIL COMMENTS**

*Councilmember S. McIntire* had no additional comments.

WORK SESSION AND EXECUTIVE SESSION  
2019

NOVEMBER 5,

MAYOR AND CITY COUNCIL

HAGERSTOWN, MARYLAND

*Councilmember L. C. Metzner* stated wreaths will be placed at multiple locations on Monday.

*Councilmember A. Heffernan* had no additional comments.

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

*Councilmember E. Keller* had no additional comments.

*Mayor R. E. Bruchey, II* had no additional comments.

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 4:52 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: December 17 2019