

WORK SESSION – April 19, 2022

Mayor E. Keller called this Work Session of the Mayor and City Council to order at 4:05 p.m., Tuesday, April 19, 2022 in the Council Chamber at City Hall. Participating with the Mayor were Councilmembers R. E. Bruchey, II, T. Burnett, T. Martinez, and S. McIntire, Michelle Hepburn, Chief Financial Officer, and City Clerk D. K. Spickler. Councilmember K. B. Aleshire and City Administrator Scott Nicewarner were not present.

Meritus Go For Bold Goals

Dr. Mitesh Kothari, Allen Twigg, Malik Joshi, Dr. Douglas, and Maria Rubeling, Representatives of Healthy Washington County, presented information about the Go For Bold initiative in Washington County. Go For Bold is a community-wide initiative aimed at promoting healthy lifestyles for the residents of Washington County. With a Bold Goal of losing 1 million community pounds by 2030, this 10 year journey will:

1. Focus on increasing physical activity through fun and engaging community-wide events
2. Incorporate mindfulness and stress reduction techniques into daily activities
3. Offer nutrition tips and healthy recipes that focus on fresh fruits and vegetable

Healthy Washington County is a coalition of public and private organizations with a mission to strengthen the health and wellness of the community and residents.

One of the biggest challenges has been people knowing about this program. Dr. Kothari hopes City of Hagerstown employees will be encouraged to participate in Go for Bold. Most current participants are Meritus Health employees. To date, 2,881 participants have lost 30,326 pounds.

The Community Health Needs Assessment shows that obesity/overweight is at the top of the list of health concerns for residents. Nearly 70% of the population falls into one of these categories. Based on this information, the Go For Bold program was created to help residents lose weight and be healthier.

Ms. Rubeling pointed out the new indoor facility in the City, a new stadium, and an emphasis on opioid addiction are key actions that will help the community move forward. A healthy spirit, mind, and body are needed to be successful.

The group asked the City to commit to having 400 City of Hagerstown employees and family members register in [healthywashingtoncounty.com](http://healthywashingtoncounty.com) by June 30, 2022. The campaign encourages activity, healthy eating and stress management.

Preliminary Agenda Review

Mayor Keller announced that Citizen Comments for the April 26, 2022 Regular Session will be welcome either in person or by submitting comments by email to

[councilcomments@hagerstownmd.org](mailto:councilcomments@hagerstownmd.org) by 5:00 p.m. that day. If by email, the submitters name, address, and a summary of the comments will be announced during the Citizen Comments portion of the meeting. The email will not be read in its entirety but it will be included in the public record for the meeting and may be viewed by the public at any time.

### **Consent Agenda**

#### **A. Department of Community and Economic Development:**

1. Open Container Law Exemption for Imagine Hagerstown Music Events on May 27, 2022, June 24, 2022, July 22, 2022, August 26, 2022, and September 23, 2022 at University Plaza

#### **B. Engineering:**

1. Municipal Stadium Historic Documentation – EAC/A (Baltimore, MD) \$ 15,004.44
2. Change Order to Remove and Replace 150’ of Alley #2-135 – Kinsley Construction (Hagerstown, MD) \$ 38,700.00
3. Robotic Hybrid Total Station for Field Surveying – Caron East, Inc. (Cumberland, MD) \$ 30,595.00
4. Relocation and Reinstallation of Public Art Due to Construction of Hagerstown Sports and Events Center – Adam Curtis Sculpture (Ijamsville, MD) \$ 40,350.00
5. Replace Dehumidification System and Improve Air Quality in Building – MS Johnson Co., Inc. (Hagerstown, MD) \$ 253,900.00

#### **C. Fire Department:**

1. Unication G5 Pager – Advanced Paging Solutions (Ephrata, PA) \$ 17,671.50

#### **D. Information Technology:**

1. Sonic Wall Advanced Gateway Security Suite (Firewall) Renewal – Software House International, Inc. (Philadelphia, PA) \$ 12,953.99

#### **E. Police Department:**

1. Gas Chromatography Spectrometry Warranty Extension – Agilent Technologies (Santa Clara, CA) \$ 34,500.96
2. Annual Mid Atlantic Regional Gang Investigators Network Conference Co-Sponsorship - Mid Atlantic Regional Gang Investigators Network (Fairplay, MD) \$ 15,000.00

#### **F. Utilities:**

1. Light: Electric Revenue Meter Test Device – Vision Metering (York, SC) \$ 27,500.00
2. Water: RC Willson Phone System Upgrade – Glessner Protective Services, Inc. (Hagerstown, MD) \$ 12,731.72
3. Water: Hydrant Replacements/New Installations Throughout Water System – Core & Main (Martinsburg, WV) \$ 25,381.92

4. Water: Soft Copper Tubing – Sunrise Oilfield Supply, LLC (Wichita, KS)  
\$ 41,922.00
5. Water: RC Willson Emergency Action Plan – Hazen and Sawyer (Baltimore, MD) \$ 26,768.00
6. Water: Smithsburg Reservoir Dam Engineering Services for Emergency Planning – Hazen and Sawyer (Baltimore, MD) \$ 34,975.00
7. Wastewater: Mixers for the BNR Process – A. R. & E. (Hagerstown, MD)  
\$ 117,131.49
8. Wastewater: Effluent VFD Pumps - CES (City Electric Supply) (Hagerstown, MD ) \$ 19,025.97

Mayor Keller announced approval of the replacement of the existing CCTV VMS head-end and associated client software for the Hagerstown Police Department will be added to the Regular Session agenda. Acceptance of the Coverdell Forensics Sciences Improvement Grant Program for the Hagerstown Police Department will also be added to the Regular Session agenda.

This completed the Preliminary Agenda Review. There were no questions about any items. All items, unless noted, are scheduled for approval on April 26, 2022.

#### FY23 Budget Review

Michelle Hepburn, Chief Financial Officer, and Brooke Garver, Accounting and Budget Manager, were present to continue review of the FY23 Proposed budget.

The FY23 Proposed Budget includes changes to rates already adopted by Mayor and Council and rate changes that will take effect upon adoption of the FY23 Proposed Budget. New changes for the Planning Department include subdivision plan, nonresidential full site plan, minor site plan, site plan waiver, zoning letters, fence permits, and forest conservation fee changes. Also, recycling and refuse collection fees are increasing to \$ 50.00 for quarterly residential customers and to \$ 110.00 for annual commercial customers. Detailed listings of all citywide rates and fees are in Section 8 of the proposed budget.

The second highest category of revenue is special taxes. Councilmember Bruchey asked if the anticipated revenue will change when the County Commissioners implement the income tax rate percentage reduction. Ms. Garver indicated it will likely lower the revenue.

Ms. Hepburn discussed the Enterprise Zone Credits. She noted the credits are valid for 10 years. The total tax bill for two projects – North Pointe and Tractor Supply – is \$ 500,000. During the first five years, 80% of the total tax bill is waived and the City receives 50% of that back from the State of Maryland.

Ms. Garver noted there is an increase in hotel/motel tax revenue. This is getting back to pre-pandemic levels.

Ms. Hepburn stated the County establishes the income tax revenue within a certain range. They are currently proposing to decrease the rate by another half percentage and this will result in lost revenue for the City.

The budget book includes a program overview for each department that includes objectives, performance indicators, expenses, and a staffing summary. Some departments provide further detail of specific operations. All departments are included in the overview. Planning and Code Administration is one of the few departments that is self-supporting without additional funding from tax revenue.

Agency Contributions will be back to normal numbers for the core agencies, without any prior allocation commitment. Agency Contributions were discussed by the Mayor and City Council and the total amount approved is \$ 250,000. This includes the funding for the eight agencies, plus \$ 10,000 for contingency. Agency Contributions does not include public functions, events, or sponsorships.

Councilmember Bruchey hopes the City will able to provide \$ 22,000 toward the annual Mummer's Parade.

Section 6 provides financial projections for all City functions. Property taxes are estimated to be \$ 36 million for FY24. Taxes are a needed and important revenue source. The projected deficit for FY24 is \$ 3.8 million. Hopefully, the actual deficit will be lower than projects due to the growth that is occurring. Each penny on the tax rate generates \$ 285,000 in revenue. With the estimated growth, each penny will provide \$ 293,000.

Salaries, wages, and benefits are by far the largest expense category. Large increases are included in the FY23 budget due to union contracts currently being negotiated. More than 41% of the City's health insurance participants are retirees and their families.

In FY23, a contribution to the State Retirement fund of 10.93% will be required. There is a separate Police and Fire Employees Retirement fund.

Ms. Hepburn noted there is no bond issue included in the FY23 proposed budget. A bond issue is projected in FY24. The amount of the bond will be affected by how much funding is received towards the Hagerstown Field House.

Review of the proposed budget will continue in May.

#### Reprogramming of Unspent 2019 Tax Exempt Public Improvement Bond

Michelle Hepburn, Chief Financial Officer, was present to discuss the need to reprogram unspent bond proceeds for the City's 2019 tax exempt bond. Reprogramming the unspent bond proceeds will allow the City to move forward with a capital equipment purchase without issuing new bonds.

City staff has developed a proposed plan for the use of unspent bond proceeds based on previously approved Mayor and Council items in the budget and the time factor for completion

The cost of one of the projects staff had planned to spend the 2019 bond proceeds on was less than anticipated. This resulted in unspent tax exempt bond proceeds that need to be reprogrammed for other eligible uses. The 2019 tax exempt bond proceeds have time spending requirements that are federally mandated. The General Fund Pangborn Lake Reconstruction project has unspent bond proceeds of \$ 146,000.00. Staff recommend the use of this remaining unspent 2019 bond proceeds for the General Fund Public Works Vehicle, in the amount of \$ 146,000.00.

To meet the required deadline for spending the 2019 tax exempt bond proceeds, staff is recommending that this project be approved by the Mayor and City Council so that the necessary ordinances and paperwork can be started.

It was the general consensus to approve the reprogramming of the bond proceeds as recommended. Bond Counsel, Lindsey Rader from Funk & Bolton, will draft a Supplemental Bond Ordinance and a Supplemental Bond Resolution for introduction and approval.

### Transportation Priorities

Rodney Tissue, City Engineer, was present to review the City's transportation priorities.

Each year, the Maryland Secretary of Transportation and Department of Transportation (MDOT) seeks to obtain priorities from the local jurisdictions to facilitate their preparation of the Consolidated Transportation Plan (CTP). The CTP will be presented by Secretary James Ports and State Highway officials in October.

Staff will send to MDOT the priorities from the City elected officials. Staff offers the following items as suggested priorities:

1. I-81 Widening – With the completion of widening of the Potomac River bridge, continue to seek funds for widening from Route 63 north to the Pennsylvania line over the next ten (10) years.
2. BPPA Study Implementation – In February of 2020, the local Metropolitan Planning Organization (MPS) funded and completed a Bicycle and Pedestrian Priority Area (BPPA) study of the downtown and Bester Elementary walkshed to improve connectivity, increase safety and improve pedestrian and bicycle user comfort. The study included several recommendations for Route 40 including countdown pedestrian lights, improved crosswalk markings, and speed management on Washington Street east of Cannon Avenue. Staff plan to request a Safe Routes to School grant to rebuild the traffic signal at Potomac Street and Baltimore Street.

3. Park Circle Railroad Crossing Upgrades – Working with the rail coordinators in the Office of Traffic and Safety, upgrade the three crossings (Virginia Avenue, Walnut Street, and Summit Avenue) that are badly in need of repair, especially Walnut. The State has agreed to fund these improvements.
4. Eastern Boulevard Corridor Improvements – Staff support this Washington County led, multi-phase project that consists of a multi-modal transportation system connecting US Route 40, Maryland Route 64, and Maryland Route 60. Future phases include construction of new streets to disperse traffic and reducing traffic volumes on State routes. Once such route is the construction of Professional Court extended; Phase I is complete and the County expects to bid this summer the City’s Phase II widening as part of their road work east of the Creek.
5. Continue to fund Retrofit Sidewalk Installation, Bikeway Grants, Transportation Alternatives Program, and Safe Routes to School Program (for sidewalks and traffic signals), all of which the City has successfully used many times in the past.
6. Highway User Revenues: Continue funding at the levels the City received for FY20 (\$ 1,720,000) or higher.

The County Commissioners reviewed a draft priority letter for Washington County last week.

Mr. Tissue noted HB1187 was passed during this session. This bill increases the Highway User Revenues.

Mayor Keller asked for an update on the fence at City Park. Mr. Tissue stated the project is at the mercy of the supply chain issues. The first contractor was unable to get the fencing and the contract was terminated. The project was then rebid. The new contractor ordered the materials and then were informed the supplier could not get the material. They had to order from a different supplier and now anticipate the fence will be delivered in June and installed soon after that.

It was the general consensus to submit the City’s transportation priorities as drafted.

#### Review of Annexation Plan for Unger Farm – 1302 Virginia Avenue

Megan Flick, Planner, was present to review the annexation plan for the Unger Farm at 1302 Virginia Avenue.

Planning staff received the annexation petition from the property owner regarding annexation of property located at 1302 Virginia Avenue, also known as the Unger Farm. The property to be annexed is approximately 115 acres, with proposed City zoning being RMOD (Residential Moderate-Density) to ensure no zoning conflict with the comparison to the County’s RU (Residential Urban) zoning.

The contract purchaser plans to do a single-family-detached residential development. Staff conferred with the Board of Education staff on the schools section of the plan.

The Planning Commission reviewed the Annexation Plan and proposed zoning at their work session on April 13, 2022 and recommend the Mayor and City Council approve the plan.

Councilmember Bruchey asked what the cost of the single family homes will be. Steve Bockmiller, Zoning Administrator, stated it will be market rate, but it is too early to know the anticipated cost.

It was the general consensus to move forward with this annexation request. Introduction of the annexation resolution and approval of the annexation plan will be scheduled for April 26, 2022. The public hearing will be held in late June.

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

*Michelle Hepburn, Chief Financial Officer*, offered support and thoughts to the Nicewarners today and during the next few weeks.

Rock the Run 5K, the Hub City 100 Miler Final Mile Walk and Arbor Day and Earth Day celebrations will be held on Saturday, April 23, 2022.

Ms. Hepburn informed the Mayor and City Council the City is also experiencing issues due to supply chain issues. The City has been notified by at least 5 routine vendors they are implementing a surcharge due to rising costs. This is in addition to the delivery and product costs. The City has no recourse the prevent the additional charges.

### **MAYOR AND COUNCIL COMMENTS**

*Councilmember T. Martinez* thanked a Hagerstown police officer who was visiting a retired officer for talking with her grandchildren and showing them the police are not always at homes for bad things.

*Councilmember T. Burnett* had no additional comments.

*Councilmember R. E. Bruchey* had no additional comments.

*Councilmember S. McIntire* had no additional comments.

*Mayor E. Keller* congratulated all the City school teachers who were nominated for the Teacher of the Year. Mayor Keller threw the first pitch at Opening Day at the Pony League. Their league has been to the Pony League World Series more than any other league.

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 5:00 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: May 24, 2022