

June 3, 2008  
Hagerstown, Maryland

The regular meeting of the Board of County Commissioners of Washington County, Maryland was called to order at 10:06 a.m. by President John F. Barr with the following members present: Vice President Terry L. Baker, and Commissioners Kristin B. Aleshire, James F. Kercheval, and William J. Wivell.

**INVOCATION AND PLEDGE OF ALLEGIANCE**

The Invocation was given by Commissioner Barr, followed by the Pledge of Allegiance to the Flag by the full assemblage.

**ADOPTION OF FISCAL YEAR 2009 BUDGET**

The Commissioners discussed the proposed fiscal year 2009 budget. Debra Murray, Director of Budget and Finance, provided a summary of the changes made to the budget that were discussed at last week's meeting. She stated that General Fund budget revisions include an increase of \$130,000 to the Election Board due to notification by the State of Maryland of an increase in the cost of leasing the voting machines. She also stated that revenue was increased by \$16,000 as a result of the increase in mulch fees. Ms. Murray informed the Commissioners that the Treasurer's Office was advised that there will be an administration fee of \$9,700 for the State to administer the Homestead Tax Credit program. She reviewed the actions taken to balance the additional costs.

Ms. Murray discussed increasing the budget for gasoline and diesel fuel costs. She provided information on the estimated number of gallons used by each department and the amount budgeted in FY 2009. She stated that gasoline and diesel fuel were budgeted at \$3.25 per gallon and recommended that it be increased to \$3.75 per gallon for gasoline and \$4.50 per gallon for diesel fuel for budgeting purposes. Ms. Murray informed the Commissioners that this would increase the FY 2009 budget by \$382,357. She reviewed several options for their consideration. Greg Murray, County Administrator, stated that the recommendation is to attempt to reduce consumption and allow each department to balance any overruns through their budget, with an option to utilize cash reserves at the end of the fiscal year. He stated that gasoline and diesel fuel are in a period of high fluctuation and he would like to have more specific numbers for budgeting purposes for the FY 2010 budget. Ms. Murray stated that she feels comfortable with the recommendation although she noted that the Transit Fund may have additional

fuel costs of \$105,000 and may need to balance its budget through a transfer from cash reserves. The Commissioners agreed to the recommendation and asked for quarterly updates on the situation.

Commissioner Kercheval stated that he has received several calls and e-mails from County Government retirees regarding a cost of living adjustment. Mr. Murray provided a history of percentage increases given. He stated that the last one was two percent in FY 2008. The Commissioners agreed to include this item as part of the discussion of percentages given to employees each year. It was agreed to wait until next year to discuss an increase for retirees.

The Commissioners discussed adjustments made to the Capital budget. Commissioner Aleshire noted that he has had several citizens contact him regarding the chip/seal road maintenance process and that those issues need to be discussed.

Motion made by Commissioner Kercheval, seconded by Wivell, to approve the Fiscal Year 2009 Capital Improvements Program Budget as revised in the amount of \$86,986,400. Unanimously approved.

Motion made by Commissioner Kercheval, seconded by Baker, to approve the Fiscal Year 2009 budget, as amended, in the following amounts: General Fund budget of \$206,991,000; the Special Revenue Funds (Highway Funds - \$9,289,760 and Solid Waste Fund - \$8,698,410); the Transit Fund - \$2,459,650; Airport Fund - \$2,726,840; Golf Course Fund - \$1,241,050; Utility Administration Fund - \$3,642,760; Water Fund - \$1,773,930; Sewer

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Fund - \$10,566,680; Pretreatment Fund - \$695,600; Foreign Trade Zone - \$7,000; Agricultural Education Center Fund - \$199,330; Community Partnership Fund - \$281,440; and Inmate Welfare Fund - \$548,940 for a total budget of \$251,338,390; to maintain the current property tax rate of \$.948 per \$100 of full-assessed value and the interest rate of 1.3% for service charges associated with semi-annual property tax payments. Motion carried with Commissioners Kercheval, Baker, Aleshire, and Barr voting "AYE" and Commissioner Wivell voting "NO."

Commissioner Aleshire noted for the record that there are three items in the budget that he is not comfortable with although he did not want to vote against the entire budget. He stated that the items are the funds set aside for implementation of Phase II of the Emergency Medical Services Plan, the additional personnel for the emergency communications system, and funding for the temporary location of the senior center.

Commissioner Wivell expressed concerns about items in the General Fund budget including Phase 2 for the provision of emergency medical services, senior programs, and increases to non-profits at a time when the average resident is struggling to make ends meet.

**HAGERSTOWN/EASTERN PANHANDLE METROPOLITAN PLANNING ORGANIZATION**  
**- FY 2009 BUDGET**

Jill Baker, Senior Planner, and Robert Gordon, MPO Director, met with the Commissioners to request acceptance of grant funding from the Federal Highway Administration and Federal Transit Authority for the purpose of conducting planning activities for transportation-related issues. The funds are then funneled through the State governments to allow the regional MPOs to carry out the planning activities. Ms. Baker stated that 80% funding is provided by the Federal government, 10% by State government, and 10% by local government. The total budget for FY 2009 is \$385,099 (West Virginia - \$176,561 and Maryland \$208,538).

She informed the Commissioners that Washington County's match obligation of \$20,854 can be met through in-kind services.

Motion made by Commissioner Kercheval, seconded by Aleshire, to approve the FY 2009 budget for the Hagerstown/Eastern Panhandle Metropolitan Planning Organization (MPO) of \$385,099 and to accept the grant funding provided from the Federal Highway

Administration and Federal Transit Authority for the purpose of conducting planning activities for transportation-related issues. Unanimously approved.

**BID AWARD - PUBLIC IMPROVEMENT BONDS OF 2008**

Debra Murray, Director of Finance, informed the Commissioners that she was notified by Standard and Poors that Washington County had received a bond rating upgrade from 'AA-' to 'AA.' Ms. Murray provided a summary of the report from Standard and Poors and emphasized the savings that the upgrade would be to the County over the life of a bond issue.

Debra Murray, Director of Finance, Susan Ostazeski, Public Advisory Consultants, and Timmy Ruppertsberger, Bond Counsel, appeared before the Commissioners at 11:00 a.m. to receive and evaluate electronic bids for the Public Improvement Bonds of 2008 via the Parity service and seven bids were received. The Commissioners viewed the bids online and evaluated the bid representing the lowest interest rate to the County. At this time, Ms. Ostazeski and Ms. Ruppertsberger left the meeting to review and verify the bids submitted and stated that they would return for award of the bid.

**REQUEST FOR FUNDING - 23<sup>RD</sup> ANNUAL SALUTE TO INDEPENDENCE**

Tom Riford, President of the Hagerstown-Washington County Convention and Visitors Bureau (CVB), and Brendan Fitzsimmons, Past Chair of the Board of Directors of the Maryland Symphony Orchestra (MSO) appeared before the Commissioners to request funding for the MSO's 23<sup>rd</sup> Annual Salute to Independence. Mr. Riford stated that the event, held annually at the Antietam National Battlefield, draws over 35,000 people and is cited as the second largest event in Washington County. He reported on the positive impact it has on the local economy. Mr. Fitzsimmons informed the Commissioners that the cost to produce the performance has increased

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more than 20% over the past five years. Mr. Riford requested that the Commissioners provide funding assistance of \$20,000 from the County's portion of the hotel rental tax for the Salute to Independence. Mr. Fitzsimmons distributed copies of budgeted items and \$22,000 projected shortfall in direct costs. The meeting was opened for questions and discussion.

Motion made by Commissioner Kercheval, seconded by Wivell, to approve the request to provide \$20,000 from the County's portion of the FY 2008 hotel rental tax funds to the Maryland Symphony Orchestra's Salute to Independence event. Unanimously approved.

**SENATOR AMOSS FIRE, RESCUE AND AMBULANCE FUNDING DISTRIBUTION**

Kevin Lewis, Acting Director of Emergency Services, met with the Commissioners regarding the Senator William H. Amoss Fire, Rescue and Ambulance Fund revenues allocated to Washington County by the State for fire and rescue companies. Mr. Lewis stated that a total of \$231,996 was awarded to Washington County for disbursement to the companies. The Washington County Volunteer Fire & Rescue Association is recommending that funds be distributed equally among all companies. Using this formula, each County fire and EMS company would receive \$8,922.92 and the City of Hagerstown would receive a lump sum of \$53,537.60 to distribute to its six companies. The Commissioners discussed the options and agreed to allocate the funding in equal shares to all companies.

Motion made by Commissioner Wivell, seconded by Kercheval, to distribute the fiscal year 2008 Senator William H. Amoss Fire, Rescue & Ambulance State grant funds in equal shares to all fire and rescue companies in Washington County. Unanimously approved.

**CONTRACT RENEWAL - CONTRACT SERVICES AT TRANSFER STATIONS AND ON-SITE AT FORTY-WEST LANDFILL**

Motion made by Commissioner Kercheval, seconded by Aleshire, to renew the contract for Contract Services at Transfer Stations and On-Site at the Forty-West Landfill to Peck's Refuse Disposal, LLC, for a one-year period based on the rates proposed and cardboard transport: Greensburg - \$145, Kaetzel - \$149, Dargan - \$147, Hancock - \$140, Forty-West - \$30/box and cardboard - \$95/box. Unanimously approved.

**RECESS - LUNCH WITH MARYLAND ASSOCIATION OF COUNTIES PRESIDENT**

The Commissioners recessed at 11:30 a.m. in order to meet and have lunch with Jim Smith, President of the Maryland Association of Counties (MACo) and Executive Director David Bliden.

**AFTERNOON SESSION**

The afternoon session was called to order at 1:24 p.m. by President John F. Barr, with the following members present: Commissioners Kristin B. Aleshire, James F. Kercheval, and William J. Wivell.

**CONTRACT AWARD - INDEPENDENT AUDITING SERVICES**

Motion made by Commissioner Wivell, seconded by Kercheval, to award the contract for Independent Auditing Services to SB & Company, LLC, which submitted the lowest responsive, responsible bid of a total lump sum price of \$359,925 for Fiscal years 2008 through 2012. The contract term is for a one (1) year period with an option by the County to renew for up to four (4) additional consecutive one (1) year periods. Unanimously approved.

**BID AWARD - PLUMBING & HEATING MAINTENANCE SERVICE**

Motion made by Commissioner Kercheval, seconded by Aleshire, to award the contract for Plumbing and Heating Maintenance Service at County facilities to Beaver Mechanical Contractors, Inc., which submitted the low responsive, responsible bid of \$38,682.50. Unanimously approved.

**AMENDMENT TO FY 2008 PROGRAM OPEN SPACE (POS) PROGRAM**

Jim Sterling, Director of the Parks, Recreation & Facilities Department, met with the Commissioners to request an amendment to the FY 2008 POS Program to include the purchase of 1.59 acres of land for the Town of Keedysville. Mr. Sterling stated that the Town hopes to acquire the

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additional land to add to its park system. He informed the Commissioners that the parcel borders the Little Antietam Creek and would offer public stream access and an area that would allow the Department of Natural Resources to stock the stream with trout. The meeting was then opened for discussion.

Motion made by Commissioner Aleshire, seconded by Kercheval, to approve the amendment to the FY 2008 Program Open Space Program to include the acquisition of 1.59 acres of land for additional parkland for the Town of Keedysville in the amount of \$91,000 from the POS Acquisition Fund. Unanimously approved.

**RATES FOR USE OF NEW COMMUNITY RECREATION CENTERS**

Jim Sterling, Director of the Parks, Recreation & Facilities Department, and Jaime Dick, Director of the Recreation Department, met with the Commissioners to request their approval of the rates being proposed for the use of the Community Recreation Centers at Maugansville, Pangborn, and Rockland Woods Elementary Schools beginning January 2009. Mr. Dick recommended the following fees: In-County Fee - Full Gym - \$15/hour, Half Gym - \$8/hour and Out-of-County Fee - Full Gym - \$25/hour, Half Gym - \$13/hour. Mr. Dick stated that this fee would help offset the cost to operate the new facilities. The meeting was then opened for discussion and questions. Commissioner Kercheval suggested several changes including giving priority to County residents for reserving the Community Centers and permitting out-of-County residents to reserve only 30 days in advance of the event. He also asked that the brochure include information regarding liability for payment for any damages that may occur.

Motion made by Commissioner Kercheval, seconded by Aleshire, to approve the rates proposed for use of the gymnasium at the Community Recreation Centers at Maugansville, Pangborn, and Rock Woods Elementary Schools beginning January 2009 In-County Fee - Full Gym - \$15/hour, Half Gym - \$8/hour and Out-of-County Fee - Full Gym - \$25/hour, Half Gym - \$13/hour, with adjustments being made to the policy with regard to priority usage by giving priority to in-County residents and prohibiting out-of-County residents from renting a facility not more than 30 days in advance. Unanimously approved.

(Commissioner Baker arrived at the meeting at 2:10 p.m.)

**APPALACHIAN REGIONAL COMMISSION PRELIMINARY PROJECT**

Robert Mandley, Project Coordinator for the EDC, met with the Commissioners to review the applications for Appalachian Regional Commission (ARC) funding. Mr. Mandley explained that Tri-County Council is requesting that the County review and prioritize the projects to be submitted for funding consideration. ARC funding is limited to 30% of a project's cost. He stated that there are three proposed projects in the TEA-21 Access Road funding category ranked as follows: 1) Hagerstown-Washington County Industrial Foundation (CHIEF) Local Access Road (Harrison Tract); 2) City of Hagerstown Eastern Connector Bridge - \$500,000; and 3) City of Hagerstown Northwest Connector Bridge - \$500,000.

Mr. Mandley then reviewed the proposed projects in the Area Development Projects category, which were ranked as follows: 1) Town of Hancock - Downtown Storefront Rehabilitation (\$18,000); 2) Associated Builders & Contractors, Inc. - MERIT Program Start-Up (\$25,000); 3) Hagerstown Community College - Development of Pharmacy Technician Program - \$15,000; 4) City of Hagerstown - Downtown Upper Floors Renovation Revolving Loan Fund Program (\$225,000); 5) Washington County Board of Education - Fiber Optic Internet Access Hancock Schools (\$25,500); 6) City of Hagerstown - Clarkson Avenue Residential Redevelopment Project (\$225,000); 7) Town of Keedysville - Water Infrastructure Improvements (\$500,000); and 8) City of Hagerstown - Wastewater Collection System Rehabilitation Inflow & Infiltration (\$500,000). The meeting was opened for discussion and questions. The Commissioners asked that the rankings be reversed for project numbers four and five.

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Motion made by Commissioner Kercheval, seconded by Aleshire, to submit the preliminary project rankings to Appalachian Regional Commission, as revised, for funding consideration as follows: 1) Town of Hancock - Downtown Storefront Rehabilitation (\$18,000); 2) Associated Builders & Contractors, Inc. - MERIT Program Start-Up (\$25,000); 3) Hagerstown Community College - Development of Pharmacy Technician Program - (\$15,000); 4) Washington County Board of Education - Fiber Optic Internet Access Hancock Schools (\$25,500); 5) City of Hagerstown - Downtown Upper Floors Renovation Revolving Loan Fund Program (\$225,000); 6) City of Hagerstown - Clarkson Avenue Residential Redevelopment Project (\$225,000); 7) Town of Keedysville - Water Infrastructure Improvements (\$500,000); and 8) City of Hagerstown - Wastewater Collection System Rehabilitation Inflow & Infiltration (\$500,000); and to approve submittal of the following TEA-21 projects in the Access Road category: 1) Hagerstown-Washington County Industrial Foundation (CHIEF) Local Access Road (Harrison Tract); 2) City of Hagerstown Eastern Connector Bridge - \$500,000; and 3) City of Hagerstown Northwest Connector Bridge - \$500,000. Motion carried with Commissioners Kercheval, Baker and Barr voting "AYE" and Commissioners Aleshire and Wivell voting "NO."

**ADOPTION OF RESOLUTION - AWARD OF THE BID FOR THE PUBLIC IMPROVEMENT BONDS OF 2008**

Motion made by Commissioner Kercheval, seconded by Aleshire, to adopt a resolution accepting the low bid of UBS Securities, LLC at the true interest cost (TIC) of 4.018932% on the sale of \$19,950,000 Public Improvement and Refunding Bonds of 2008. Motion carried with Commissioners Kercheval, Aleshire, Baker and Barr voting "AYE" and Commissioner Wivell voting "NO." (A copy of the Resolution RS-08-09 can be found in the County Commissioners' office.)

Motion made by Commissioner Kercheval, seconded by Baker, to adopt a Resolution declaring the intent of the Board to bond finance certain projects under U.S. Treasury Income Tax Regulation Section 1.150.2 for the 2009 portion of the capital budget approved earlier and to authorize the County to reimburse the costs incurred. (A copy of the Resolution RS-08-010 can be found in the County Commissioners' office.) Unanimously approved.

**PUBLIC HEARING - MARYLAND COMMUNITY DEVELOPMENT BLOCK GRANT MD-07-CD-36-FAIR HOUSING ACTIVITIES**

The Commissioners convened a public hearing at 2:30 p.m. to update citizens on the Maryland Community Development Block Grant (CDBG) MD-07-CD-36 - Fair Housing Activities in accordance with 24 CFR 570.486(a)(5). Sharon Disque, Executive Director of Hagerstown Neighborhood Development Partnership, Inc., and Sonja Hoover, Fiscal/Research Specialist for the Economic Development Commission, appeared before the Commissioners regarding the CDBG grant awarded to Washington County in the amount of \$100,000 to conduct fair housing activities and provide housing counseling for low- and moderate-income persons. Ms. Disque stated that Hagerstown Neighborhood Development Partnership serves as the subrecipient of the grant. She provided an update on their activities, which include home ownership workshops, individual pre-purchase counseling service, credit counseling, and default counseling. The meeting was opened for public comment. There was no one present who wished to comment, and the hearing was closed at 2:39 p.m.

**REVISION OF BUILDING EXCISE TAX ORDINANCE**

Kirk Downey, Assistant County Attorney, reviewed proposed revisions to the Excise Tax Ordinance to take to public hearing. He stated that the newly revised enabling legislation will become effective on July 1, 2008. Mr. Downey noted that the primary changes in the draft are the basing of the tax upon the habitable gross square footage for residential construction, rather than by dwelling units; the simplification of the categories of nonresidential construction; the elimination of workforce housing credits; and the general elimination of exemptions. He stated that other changes include clarification of defined terms and general phrases. The meeting was then opened for discussion of the proposed revisions. The Commissioners had questions on several changes and discussed the language regarding the proposed method of taxing mixed-use

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structures. After discussion, it was the consensus to authorize advertising to go to public hearing on June 17 at 4:00 p.m. to obtain public input. The Commissioners also asked that the advertisement for the hearing include an address where written comments can be submitted as well as an e-mail address for comment.

**CONVENE IN CLOSED SESSION**

Motion made by Commissioner Wivell, seconded by Aleshire, to convene in closed session at 3:51 p.m. to discuss the appointment, employment, assignment, and/or compensation of appointees, employees or officials over whom it has jurisdiction; to discuss personnel matters that affect one or more specific individuals; to consult with counsel to obtain legal advice; to consult with staff, consultants, or other individuals about pending or potential litigation; and to consider the acquisition of real property for a public purpose and matters directly related thereto, in accordance with Section 10-508 of the State Government Article of the Annotated Code of Maryland. Unanimously approved.

**RECONVENE IN REGULAR SESSION**

Motion made by Commissioner Aleshire, seconded by Wivell, to reconvene in open session at 5:53 p.m. Unanimously approved.

In closed session, the Commissioners discussed the appointment, employment, assignment, and/or compensation of appointees, employees or officials over whom it has jurisdiction, discussed personnel matters that affect one or more specific individuals, consulted with counsel to obtain legal advice, consulted with staff, consultants, or other individuals about pending or potential litigation, and considered the acquisition of real property for a public purpose and matters directly related thereto. Present during closed session were Commissioners John F. Barr, Terry L. Baker, Kristin B. Aleshire, James F. Kercheval, and William J. Wivell. Also present at various times were Gregory Murray, County Administrator; John Martirano, County Attorney; Andrew Wilkinson, Assistant County Attorney; Kirk Downey, Assistant County Attorney; Joni Bittner, County Clerk; Joseph Kroboth, Director of the Division of Public Works; Robert Slocum, Deputy Chief Engineer; Debra Murray, Director of Finance; and Andrew Bowen.

**REAPPOINTMENT - BOARD OF ZONING APPEALS**

Motion made by Commissioner Aleshire, seconded by Kercheval, to reappoint Hampton Wedlock as an Alternate to the Board of Zoning Appeals for a three-year term. Unanimously approved.

**REAPPOINTMENTS - ANTIETAM NATIONAL BATTLEFIELD ADVISORY COMMITTEE**

Motion made by Commissioner Wivell, seconded by Kercheval, to reappoint Louis Clark to the Antietam National Battlefield Advisory Committee for a three-year term and to waive the two-term limit policy and reappoint Jane Hershey and Nancy Kefauver and for three-year terms. Motion carried with Commissioners Wivell, Kercheval, Baker, and Barr voting "AYE" and Commissioner Aleshire voting "NO."

**APPOINTMENT - LOCAL MANAGEMENT BOARD**

Motion made by Commissioner Aleshire, seconded by Kercheval, to appoint Leah Gayman, United Way Director, to the Local Management Board to fill the mandated position on the Board. Unanimously approved.

**ADJOURNMENT**

Motion made by Commissioner Wivell, seconded by Kercheval, to adjourn at 5:55 p.m. Unanimously approved.

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County Administrator

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County Attorney

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County Clerk