



**BOARD OF COUNTY COMMISSIONERS
OF WASHINGTON COUNTY, MARYLAND**

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FOR IMMEDIATE RELEASE

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**NEWS
RELEASE**

Review of Actions Taken in the Washington County
Board of County Commissioners Meeting
Tuesday, June 3, 2008

ADOPTION OF FISCAL YEAR 2009 BUDGET

Budget and Finance Director Debra Murray brought this issue before the Board. On May 13th, the Commissioners took a balanced budget of \$338.4 million to Public Hearing. The budget must be formally adopted by resolution. On May 20th, Murray brought a summary for all funds before the Board, amended due to state and local revenue changes. Murray said the State has increased the cost of leasing voting machines in the County by \$130,000, and has imposed a \$9,700 fee for administration of the Homestead Tax Credit program. Murray said these General Fund costs were offset by moving one-time funds for the Commission on Aging and the Central Library Branch from the 2009 budget to the current budget, and paying for those items before the end of the fiscal year. In addition, the Solid Waste Fund revenue is being increased by \$16,000 as the result of the increase in mulch fees, approved by the Board last week. Additional adjustments to the Capital Improvement Plan were made for State reductions in Program Open Space and Technology project funds. The new overall balanced budget is \$338.3 million. Discussion centered on fuel cost increases for those departments that maintain large fleets, especially Public Transit. Murray told the Board that figures reflecting \$3.75 per gallon for gasoline and \$4.50 for diesel fuel reflect the County cost for fuel, at 80% of market value. All fuel costs for FY '09 would increase by \$382,000. The County's program to decrease fuel consumption will be maintained, and additional costs would be absorbed into departmental budgets, except for Transit, which would see the largest increase due to the amount of diesel fuel required to operate County Commuter buses, some 100-150 thousand dollars. Adjustments to the operating budgets for the departments to deal with increases in fuel costs would come at the end of the fiscal year. Retiree cost-of-living adjustments were discussed and deferred to the 2010 fiscal year budget process. A measure to approve the Capital Improvement Plan for Fiscal Year 2009 was approved by unanimous vote. A measure to approve the Operating Budget for the 2009 Fiscal Year was approved on a 4-1 vote with Commissioner Bill Wivell voting "no".

HAGERSTOWN/EASTERN PANHANDLE METROPOLITAN PLANNING ORGANIZATION FY 2009 BUDGET

Jill Baker, Senior Planner; and Robert Gordon, Director of the Hagerstown/Eastern Panhandle Metropolitan Planning Organization (MPO) brought the FY 2009 Budget to the Board with a request for acceptance of grant funding for the coming year. Gordon told the Board that the Hagerstown/Eastern Panhandle Metropolitan Planning Organization (HEPMPO) was officially established on July 1, 1996 as a re-designation/expansion of the Hagerstown Urbanized Area MPO. HEPMPO is established to conduct regional transportation planning for a federally designed tri-state planning area. The HEPMPO's planning process brings together representative the states of Maryland, West Virginia and Pennsylvania; the counties of Washington County, Berkeley and Jefferson Counties, in West Virginia; and Franklin County, in Pennsylvania; the cities of Hagerstown, Martinsburg, and Charles Town, WV and various towns and municipalities in the planning region. The HEPMPO has the responsibility to implement the federal requirements relating to Metropolitan Planning as set forth in the Code of Federal Regulations (CFR). Each year the Federal Highway Administration and Federal Transit Authority provide funding to all 50 states including the States of Maryland and West Virginia for the purpose of conducting planning activities for transportation related issues. The respective States each then filter money to regional authorities known as MPOs to carry out planning activities in accordance with federal regulations. Washington County acts as the cognizant agency for the Hagerstown/Eastern Panhandle MPO. The funds are provided for planning related activities only and may not be used for engineering or construction costs associated with transportation projects. Funding is provided at an 80% Federal, 10% State, 10% Local cost sharing ratio for both Maryland and West Virginia. The total budget for FY 2009 is \$385,099 with the Maryland share at 208,538 and the West Virginia share at \$176,561. This grant does have a local match requirement of 10% of State allocated funds. Washington County's match obligation would be \$20,854. Maryland does recognize in-kind services as an eligible form of meeting match obligations. The measure was approved by unanimous vote.

BOND RATING ANNOUNCEMENT

Budget and Finance Director Debra Murray announced that Standard and Poor's Ratings Services (S&P) had increased its standard long-term rating and underlying rating for Washington County's General Obligation Bonds to 'AA' from the previous rating 'AA-'. The upgrade reflects continued improvement in the County's financial position, which includes increased reserve levels and strengthened management practices over the past several years, coupled with improved per-capita market values. In addition S&P stated the County's role as a regional employment center, its large tax base that continues to exhibit healthy growth and its low debt burden with manageable future capital needs, were contributors to the ratings upgrade. Commissioners' President John Barr commented that at last year's bond sale trip to New York, it was suggested that future upgrades would take several years, and the announcement was a pleasant surprise. Commissioner Jim Kercheval called the upgrade the best independent, no-strings-attached financial audit the County could receive.

BID OPENING FOR THE WASHINGTON COUNTY, MARYLAND PUBLIC IMPROVEMENT BONDS FOR 2008

Budget and Finance Director Debra Murray and Susan Ostazeski of Public Advisory Consultants, financial advisors for Washington County brought this request, for award of the bid for the Washington County, Maryland Public Improvement Bonds of 2008 for \$19,950,000 to the bidder with the lowest interest cost to the County. The County Commissioners received electronic bids via the Parity on-line service for the purchase of the 2008 bonds until 11:00 a.m, when the bids were opened. The Commissioners were able to view the bids on-line and the bids were evaluated for the lowest interest cost to the County. The bid was recommended to be issued to UBS Securities, LLC at an annual rate of 4.01%. Next low bidder was at 4.03%. Validation of bids and interest costs took place over the noon hour.

MARYLAND SYMPHONY ORCHESTRA 23RD ANNUAL SALUTE TO INDEPENDENCE FUNDING REQUEST

Tom Riford Director of the Hagerstown-Washington County Convention and Visitors Bureau (CVB), Brendan Fitzsimmons-Chairman of the Maryland Symphony Orchestra (MSO) Development Committee brought this request before the Board. The CVB and MSO are asking for event funding assistance, for MSO's 23rd Annual Salute to Independence, over the July 4th weekend, in the amount of \$20,000 to come from the county's share of the hotel-motel tax. Riford told the Board that over the past 5 years the cost to produce the MSO's annual Salute to Independence has increased more than 20%. During that same period MSO and Antietam National Battlefield's partners have secured funding increases of 12%. With crowds that have exceeded 35,000 people, the Salute to Independence is cited as the second largest event in Washington County, second only to the annual Mummers Parade. Using the State of Maryland's economic impact modeling, the direct local economic impact of the Salute to Independence is estimated at \$500,000 annually. The National Park Service makes a \$25,000 cash grant for the event, and donates \$35,000 of in-kind services. Fitzsimmons thanked the Washington County Gaming Commission for its support of MSO education programs and stated it would apply for funding for the Salute to Independence in coming years from the Gaming Commission. The measure, to grant the funding from the Fiscal Year 2008 Hotel-Motel tax was approved by unanimous vote.

SENATOR AMOSS FUNDING ALLOCATION

Kevin Lewis, Acting Director of the Division of Fire and Emergency Services brought this request; that the Board of County Commissioners distribute the FY 2008 Senator William H. Amoss Fire, Rescue and Ambulance Fund subsidy among the County fire and rescue corporations. The FY '08 allocation is approximately \$231,996. The State of Maryland distributes four equal quarterly payments to each County for support of local fire and rescue operations. The County in turn distributes the funding to all fire and rescue corporations. Financial accountability reporting to the Division of Fire and Emergency Services occurs and the County files a financial report with the State annually.

The Senator William H. Amoss Fire, Rescue and Ambulance Fund is authorized within the Public Safety Article of the Annotated Code of Maryland. The Maryland Emergency

Management Agency is responsible for the program. Recommended distribution is equitable at \$8,922.92 per fire and ambulance company for a grand total of \$231,996.00. The City of Hagerstown Fire Department would receive \$ 53,537.60, reflecting the per-company amount for its 6 fire stations. Lewis said President Glenn Fishack of the Washington County Volunteer Fire and Rescue Association was in agreement with the method of distribution. The measure was approved by unanimous vote.

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

Rick Curry, Buyer in the Washington County Purchasing Department and Steve Zies, Assistant Director of the Solid Waste Department brought this request before the Board, to renew the contract for Contract Services at Transfer Stations and On-Site at the Forty-West Landfill with the sole responsive, responsible bidder Peck's Refuse Disposal, LLC of McConnellsburg, Pennsylvania at a projected total of \$356,500.00 or an increase of 7.86% for service that includes Forty-West Landfill plus Alternate No. 1 for cardboard transports. The contract is for a one year period. The County guarantees neither a maximum nor a minimum number of transports from each location under this contract. Service includes all transfer stations, on-site at the Forty-West Landfill, and an alternate cost for cardboard transfers to Maryland Paper Company. Peck's has maintained an excellent relationship with the Solid Waste Department and has performed the contract to the complete satisfaction of Solid Waste staff. The measure was approved by unanimous vote.

MACo PRESIDENT WELCOME

Commissioner Jim Kercheval welcomed County Executive Jim Smith of Baltimore County, President of the Maryland Association of Counties to the meeting, and commented on the benefits MACo membership provides to Washington County.

THE BOARD ATTENDED A LUNCHEON WITH MARYLAND ASSOCIATION OF COUNTIES (MACo) PRESIDENT JIM SMITH AND EXECUTIVE DIRECTOR DAVID BLADEN TO DISCUSS ISSUES OF IMPORTANCE TO THE COUNTY.

CONTRACT AWARD: INDEPENDENT AUDITING SERVICES

Rick Curry, Buyer in the Purchasing Department and Debra Murray, Director of Budget & Finance brought this request to the Board: to award the contract for independent auditing services to the responsive, responsible proposer, SB & Company, LLC, of Hunt Valley, MD with the lowest total lump sum price of \$359,925.00 for Fiscal Years 2008 thru 2012. These services are required by the State of Maryland's audit requirements. Proposals were received from two firms consisting of Qualifications and Experience/Technical Proposals (Q&E) and Price Proposals. The Q&Es of both firms were evaluated and both were considered to be qualified, experienced, and responsive. Excellent results were obtained from reference checks on the recommended firm. Each of the firms considered provided a lump sum contract price for each Fiscal Year Audit as indicated on the attached cost proposal sheet. The contract term is for a one year period with an option by the County to renew for up to four additional consecutive one year periods. The measure was approved by unanimous vote.

BID AWARD: PLUMBING AND HEATING MAINTENANCE SERVICE AT COUNTY FACILITIES

Buyer Rick Curry and Jim Sterling, Director of Parks, Recreation, and Facilities brought this request to the Board, to award the contract to the responsive responsible low bidder, Beaver Mechanical Contractors, Inc., of Hagerstown, MD for the Base Bid amount of \$38,682.50. The contract services include maintenance on steam and hot water boilers, the wet sides of the heat distribution systems and domestic hot and cold water distribution and fixtures. The contract is a one year contract tentatively commencing July 1, 2008, with an option by the County to renew for up to four additional one year periods. In addition to County facilities, the Washington County Health Department, County Housing buildings, and Washington County Free Library are also included in the contract. The measure was approved by unanimous vote.

AMENDMENT TO THE FY '08 PROGRAM OPEN SPACE PROGRAM, TOWN OF KEEDYSVILLE

Jim Sterling, Director of Parks, Recreation, and Facilities brought this request to the Board for an Amendment to the FY '08 Program Open Space (POS) Program, for the Town of Keedysville's Park Land Acquisition. Sterling asked the Board to approve the recommendation to include the purchase of 1.6 acres of land for the Town as acquisition of additional parkland in the County's FY 2008 POS Program in the amount of \$91,000.00 at the request of the Town's Mayor and Council. The property consists of a parcel behind the old Citizens Bank of Keedysville. The land borders the Little Antietam Creek, would offer the public stream access and provide an area that the Maryland Department of Natural Resources could stock with Trout. About 10 years ago the DNR decided not to stock this section of water due to access, the lack of public owned land and complaints from property owners. The Park plan also includes development of a picnic area and park benches. Sterling told the Board that \$380,000 was available for land acquisition from prior POS funding. The measure was approved by unanimous vote.

COMMUNITY RECREATION CENTERS AT MAUGANSVILLE, PANGBORN AND ROCKLAND WOODS ELEMENTARY SCHOOLS

Recreation Director Jaime Dick and Jim Sterling, Director of Parks, Recreation and Facilities, requested approval of fees for use of Community Recreation Centers at Maugansville, Pangborn and Rockland Woods Elementary Schools, beginning in January 2009. In-County Fees for a Full Gym would be \$15.00 per hour, and for a Half Gym would be \$8.00 per hour. The Out-of-County Fee for a Full Gym would be \$25.00 per hour, and for a Half Gym would be \$13.00 per hour. The fee would help offset the cost to operate the new facilities, which staff has projected to be \$13.73 per hour. The Washington County Recreation and Parks Advisory Board approved the increase. The measure was approved by unanimous vote.

APPALACHIAN REGIONAL COMMISSION PRELIMINARY PROJECT DESCRIPTIONS

Bob Mandley, Project Coordinator in the Economic Development Department brought the Appalachian Regional Commission (ARC) Preliminary Project Descriptions to the Board. The request was to accept project prioritization as approved by staff, and forward to the Tri-County Council for funding consideration and; give approval to proceed with application submission for projects that receive ARC grant funding. Mandley told the Board that as part of the annual ARC FY '09 funding program, Tri-County Council for Western Maryland (TCC), the local administrator of federal funds, requested the County to review and prioritize projects submitted for grant funding consideration. The County Administrator, Director of Planning and Executive Director of the Economic Development Commission met, reviewed and ranked projects based on the economic impact each could have on the future of Washington County. Prior to forwarding to the TCC, Board of County Commissioners concurrence is required. ARC's Preliminary Project Description (PPD) packages were distributed in March to municipalities, education agencies, healthcare providers and non-profit agencies inviting them to submit requests for funding through ARC. In the Area Development Projects there are eight proposed projects requesting \$1,553,500. The Transportation Equity Act for the 21st Century (TEA-21) Access Road category has three proposed projects requesting \$1,500,000 in funding. Rankings for ADP are \$18,000 for storefront rehabilitation in Hancock; \$25,000 for startup of an enhanced training program for the building trades from Associated Builders and Contractors; \$35,000 for development of a Pharmacy Technician Program at Hagerstown Community College; \$225,000 for Upper Floor rehabilitation in buildings in Downtown Hagerstown; \$25,500 for fiber-optic internet access for Hancock Schools by the Washington County Public Schools; \$225,000 for Hagerstown's Clarkson Avenue residential redevelopment; \$500,000 for the Town of Keedysville's water infrastructure; and \$500,000 for Hagerstown Wastewater Collection system rehabilitation to deal with inflow and infiltration. Commissioner Kristin Aleshire requested that the fiber-optic school project be moved ahead of the Hagerstown rehabilitation project. TEA-21 project rankings were prioritized as \$500,000 for the Hagerstown-Washington County Industrial Foundation (CHIEF) local access road to the Harrison tract; \$500,000 for the City of Hagerstown Eastern Connector Bridge and \$500,000 for the City's Northwest Connector Bridge projects. Total requested funding of the 10 projects is \$3,033,500. ARC has designated \$1.3 million for ADP and \$820,000 for TEA-21 projects in all three Western Counties. The measures were approved on a 3-2 vote with Commissioners Wivell and Aleshire voting "no".

BID AWARD FOR THE WASHINGTON COUNTY, MARYLAND PUBLIC IMPROVEMENT BONDS FOR 2008 CONTINUED

Bond Counsel Timmy Ruppertsberger, Susan Ostazeski of Public Advisory Consultants, financial advisors for Washington County and Budget- Finance Director Debra Murray brought the \$19,950,000 in Public Improvement Bonds recommended for award to UBS Securities, LLC at a rate of 4.018932% before the Board for approval, and adoption of the resolution authorizing sale of those bonds. The measure was approved on a 4-1 vote with Commissioner Wivell voting "no". Ruppertsberger also requested approval of a

resolution declaring the intent of the Board of County Commissioners to finance the 2009 portion of the Capital Budget. The measure was approved by unanimous vote.

PUBLIC HEARING: MARYLAND DEVELOPMENT BLOCK GRANT FOR FAIR HOUSING ACTIVITIES

Sharon Disque, Executive Director of the Hagerstown Neighborhood Development Partnership, Inc (HNDP), Heather Sutton HNDP Finance Coordinator, and Sonja Hoover, Fiscal/Research Specialist, with the Hagerstown-Washington County Economic Development Commission brought the Maryland Development Block Grant for Fair Housing Activities to Public Hearing. Federal law requires Washington County to hold a public hearing to update the citizens on this Maryland Community Development Block Grant. The Maryland Department of Housing and Community Development awarded the two-year grant to Washington County on October 4, 2006 for the amount of \$100,000. Hagerstown Neighborhood Development Partnership, Inc. serves as the sub recipient of the grant. The grant funds are being used to conduct fair housing activities and to provide housing counseling for low and moderate income persons. Disque discussed home sales and foreclosures HNDP has seen during the grant period. 848 persons have attended homeownership workshops during the period, and foreclosure counseling programs have been made available. The Public Hearing was opened and no one testified in favor of or against the grant programs.

REVISION OF BUILDING EXCISE TAX ORDINANCE

Assistant County Attorney Kirk Downey brought the revision of the Building Excise Tax Ordinance before the Board for discussion. The Commissioners recommended revision of the Excise Tax Ordinance following the report of the Excise Tax Task Force and newly-revised enabling legislation, which is effective July 1. The primary changes in the draft are the basing of the tax upon the square footage of residential rather than dwelling units; the simplification of the categories of non-residential construction; the elimination of workforce housing credits; and the elimination of exemptions. Discussion centered on clarification of defined terms such as "Habitable Square Footage", and general phraseology. Rates for Non Residential Retail use and Non Residential Non Retail use were debated, and clarification of "mixed-use" was requested. The County Attorney's Office was instructed to further simplify the Ordinance. The Attorney will make the suggested changes in the draft, and it will be taken to Public Hearing on June 17th at 4:00 p.m., in order to be adopted by July 1st to coincide with the state enabling legislation.

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