



TOWN COUNCIL

Regular Meeting

June 14, 2012

Palace Theatre

Immediately Following Public Hearing

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Invocation and Pledge of Allegiance
3. Installation of New Council Members / Oaths of Office
4. Public Comments (3 minutes per speaker)
5. Consent Agenda
 - A. Approval of Agenda Format
 - B. Approval of Minutes
6. Report Presentations
 - A. Town Manager
 - B. Treasurer's Report
 - C. Recreation Report
 - D. Library Report
 - E. Harbor Report
 - F. Public Works/Public Utilities Report
 - G. Code Enforcement Report
 - H. Planning Report
 - I. Police Department Report
7. Old Business
 - *A. Echelon Sale and Purchase Contract
8. New Business
 - *A. Fiscal Year 2012/2013 Proposed Budget
 - *B. Resolution in Support of New Health and Emergency Care Facility
 - *C. Virginia Retirement System Resolution – Employer Retirement Contribution Rate
 - *D. Virginia Retirement System Resolution – Member Contributions By Salary Reduction
 - *E. Contract Award for Concrete Demolition of the Old Wastewater Treatment Plant
9. Announcements
 - June 28, 2012 – Town Council Work Session @ 6PM
 - July 4, 2012 – Town Offices Closed in Observance of Independence Day
 - July 4, 2012 – July 4th Celebration
 - July 12, 2012 – Town Council Regular Meeting @ 6PM
10. Adjourn at 8:00 P.M.



DRAFT
TOWN COUNCIL

Executive Session
Town Hall
May 8, 2012
5:00 PM

At approximately 5:00 p.m. Vice Mayor Chris Bannon, having established a quorum, called to order the Executive Session of the Town Council. In addition to Vice Mayor Bannon, present were Councilmen Bennett, Evans, Sullivan and Veber and Councilwoman Natali. Mayor Sullivan was not in attendance. Also in attendance were Town Manager Heather Arcos and Acting Treasurer Paul Skolnick.

Motion made by Councilwoman Natali, seconded by Councilman Evans and unanimously approved to go into Closed Session in accordance with Section 2.2-3711-A of the Code of Virginia of 1950, as amended for the purpose of:

Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals.

Specifically: Town Treasurer Interviews

Motion made by Councilman Bennett, seconded by Councilwoman Natali and unanimously approved to return to Open Session.

Motion to certify to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

Motion made by Councilman Veber, seconded by Councilwoman Natali to adjourn the Town Council Executive Session. The motion was approved by unanimous consent.

Vice Mayor Bannon

Town Clerk



DRAFT
TOWN COUNCIL
Regular Meeting
St. Charles Parish Hall
May 10, 2012

Immediately Following Public Hearing

At 6:05 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Regular Meeting of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon and Councilmen Bennett, Evans and Sullivan and Councilwoman Natali. Councilman Veber was not in attendance. Also in attendance were Councilmen-Elect Clarke and Wendell along with Town Manager Heather Arcos, Assistant Town Manager Bob Panek, Town Planner Tom Bonadeo, Public Works/Public Utilities Director Dave Fauber and Town Clerk Libby Hume. Councilman-Elect Godwin arrived at 6:14 p.m. The Department Heads and several Cape Charles Police Officers were in attendance along with 80+ members of the public.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

Mayor Sullivan welcomed Councilmen-Elect Donald Clarke and Frank Wendell and added that Councilman-Elect Thomas Godwin was on the way.

Mayor Sullivan stated that she would like to move New Business Item #7A - National Safe Boating Week Proclamation before the Public Comment Period since several members of the Coast Guard were in attendance for this item. Mayor Sullivan read Proclamation #20120510 - Proclaiming May 19 - May 25, 2012 as National Safe Boating Week.

Proclamation #20120510 was adopted by the Town Council by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

PUBLIC COMMENTS:

Mayor Sullivan informed the attendees that there would be no vote on the contract this evening and added that the Town's primary concern was to have the building historically rehabilitated. If anyone in attendance or a group of individuals would like to make an offer to the Town with the same terms outlined, with no financial support, they were welcome to do so. Mayor Sullivan concluded by reminding speakers to adhere to the three (3) minute time limit for comments.

Marita Patterson, 15 Carissa Court

Ms. Patterson stated that she had two (2) things to say. 1) Sell the school; 2) While she did not agree with most of the "Community Center Yes" people she applauded the way they organized their campaign, the way they had kept it going all winter, and added that they were doing a phenomenal job. Although she did not agree, when all this was over she asked everyone to join the Friends of the Cape Charles Library because a new library was needed.

George Southern, 104 Monroe Avenue

Mr. Southern stated that he was a "come-here" and when he came here he thought he was going to be relaxed with no work to do. Mr. Southern went on to state that he had come from the little city of Falls Church, VA where over a two-year period the feeling was that the City Council was not being responsive to the voters. The City Council did what they wanted to do. He became involved and started an online newspaper which was read by between 500 and 1K people every day. He wrote a weekly opinion column. His neighbor was now the Mayor of the City of Falls Church and every person on the Council four years ago, with the exception of one

individual, had been replaced. Most of them did not want to be replaced. Mr. Southern stated that he gave that background because coming here, he was so impressed with wonderful Cape Charles and the wonderful leadership and all the work done on the beach and the Harbor. Everyone was so friendly and he met all the members of the Town Council. He and his wife went away for the month of February and "all hell broke loose." Mr. Southern stated that he was appalled at the lack of procedure that appeared to have occurred. He just got a chance to read the legal letter. For one thing, you did not do a no-bid contract and could not say it was not a no-bid contract because it was not requested. The first thing a municipality serving the voters must do was to request bids to see what interest was out there. The municipality should not wait for someone to come to them and take the first bid thinking that there would be no one else out there interested in doing the same thing. Mr. Southern stated that this appalled him as well. Mr. Southern went on to ask Council not to have a lame duck Council make this decision adding that Council had heard the voters. The room was packed and this was the issue of the year. He asked Council to wait until July at least and not do it to exercise power but to adhere to the wishes of the voters.

Dorie Southern, 104 Monroe Avenue

Ms. Southern stated that she was also quite distressed over the no-bid contract and added that before she came here, she worked at the State Department and became a whistle-blower over a no-bid contract which caused her to lose her job but that was a different story. The fact was that if Council wanted to do a contract, it should be advertised to get the best deal for the people. That was the job of Council and everyone who worked for the government.

Lisa Harman, 104 Madison Avenue

Ms. Harman deferred her allotted time to Mr. Frank Wendell.

Frank Wendell, 515 Monroe Avenue

Please see attached.

Don Bender, 300 Fulcher Street

Mr. Bender stated that he wished Council to give consideration and more time to the school issue. Mr. Bender added that he attended the school which was a nice school. A lot of people in Town did not know what the school was about but it was a really good school. Mr. Bender concluded by asking Council to please give it some time and thought.

Daniel Burke, 516 Madison Avenue

Please see attached.

Lenora Mitchell, 309 Tazewell Avenue

Ms. Mitchell stated that the Old School group asked for six (6) months, which was the same amount of time as Echelon Resources, to explore the feasibility of using the old school as a community center and to explore possible funding sources for a project of this nature. As of this date, no reply had been received. People had cited the amount of time the building had sat vacant and talk about who should have done what. The building was a Town property, so the question was not why Frank Wendell waited until now to create a storm over this property but why the Town did not maintain the building according to the standards set forth in Code Enforcement. If our properties were not maintained, we appear on the Town's radar. Why wasn't the school on the radar? Needless to say, it was what it was and we were at this point. Others had made excellent suggestions about the disposition of the building during public comments, but Council had made the decision to sell the building no matter what was said. As a matter of fact, Council had decided long before involving the community in the process. Ms. Mitchell stated that she received some correspondence that deeply disturbed her. There were emails that were obtained through the Freedom of Information Act between staff and the potential investor which indicated that the citizens were being played by Town officials who

had already sold the citizens out for \$10. The Native Americans received bangles and beads which she was sure were valued at more. The emails discussed zoning changes and that there was no serious opposition as of yet. The investor commented that was good news about a calm political environment and that they would keep their fingers crossed. The public hearing would be smooth sailing. There were no calls and Council was happy. There was also an email about some requested information from Lisa Harman who called the investor and did not sound too friendly so the investor did not give her his mailing address. Staff responded by calling the investor that night followed by an email at 10:21 p.m. that they had called and would call again the next morning. Ms. Mitchell stated that she prayed for them that God forgive them since "they know not what they do."

Paul Strong, 7 Carissa Court

Mr. Strong stated that he and his wife moved to Bay Creek one and a half years ago after building a new home. They had been coming to Cape Charles for over ten (10) years and love it here and planned to live here for many years. Mr. Strong stated that he had talked to a lot of people, on both sides, regarding the issues of the school and the community center and had reached some conclusions of his own. Mr. Strong agreed that the former school building was something that needed to be preserved and restored and that it was a worthy goal. He also agreed that the Town needed a community center. However, he was convinced that the cost of converting the school building into a community center, which everyone seemed to agree would be over \$2M, was something that Cape Charles could not afford to do in the near future. Mr. Strong stated that he was also convinced that any grant money that might be available for this was going to be virtually impossible to come by especially given the large cutbacks that we were seeing in the proposed State budget. Given these facts, he was convinced that the fiscally responsible thing for the Town to do was to proceed with the proposed contract with Echelon Resources and added that he had his fingers crossed that after Echelon did their due diligence they would not back out of this project. If that happened, he did not know what the future of the school would be. A friend of his, Terry Carney, who lived in Petersburg but owned the house across the street from him knew of multiple projects done by Echelon in the Petersburg and Richmond areas and the projects were all first class. Mr. Strong added that he also wanted to comment on the proposed change in the connection fees for water and sewer. He understood that Cape Charles had few, if any, one (1) bedroom apartments and that there was a need for such residences. One of the main reasons for that was the fact that the connection fees were so high. He felt that the connection fees should be reduced on one bedroom residences. This would be independent of the deal with Echelon. Mr. Strong stated that he paid a high connection fee when he built in Cape Charles but assured everyone that he would not resent the fees being cut for one bedroom residences.

Roberta Newman, 8 Randolph Avenue

Ms. Newman deferred her allotted time to Mr. Chuck Little.

Chuck Little, 8 Randolph Avenue

Please see attached.

Town Clerk Libby Hume read thirteen (13) letters which were submitted prior to the meeting. The letters were from Mr. Roger Day of 523 Randolph Avenue, Julia Jolly of 5 Randolph Avenue, Mr. Monte Grissom & Ms. Cindy Grissom of 3 Colony Drive, Dr. Scott Banks of 1 Moon Court, Mr. Peter Lawrence of 7 American Court, Ms. Sue Pruitt of 23101 Carr Lane, Bill Neville of Princess Anne, MD, Mr. C. Page Bradford, Jr., Mr. Arnold Dalinsky or 4 Crystal Lake Court, Ms. Heather Banks of 1 Moon Court, Ms. Virginia Savage & Mr. George Savage, Jr. of Bellevue Lane, Mr. Wayne Creed of 548 Monroe Avenue and Mr. John Burdiss of 117 Mason Avenue. (Please see attached.)

There were no other public comments to be heard nor any other written comments submitted prior to the meeting.

CONSENT AGENDA:

Mayor Sullivan stated that New Business Item #7A – National Safe Boating Week Proclamation was moved to the beginning of the meeting and she would also like to move Old Business Item #6E – Echelon Sale and Purchase Contract to the beginning of Old Business.

Mayor Sullivan stated that the Department Report Presentations would not be given this evening, with the exception of the Police Department Report, unless there were any significant changes to the written reports or if Council had any questions.

Motion made by Vice Mayor Bannon, seconded by Councilman Bennett, to approve the agenda as amended. The motion was approved by unanimous consent.

The Town Council reviewed the minutes of the April 6, 2012 Northampton County Chamber of Commerce State of the Country, Commonwealth and County Breakfast, the April 12, 2012 Regular Meeting, the April 12, 2012 Executive Session, and the April 19, 2012 Work Session.

Councilwoman Natali noted a typographical error in the April 12, 2012 Regular Meetings minutes under New Business, Item C – Schedule Public Hearing for Northampton County PSA Ordinance Amendment on page 10 where the word “none” should show “nine.”

Motion made by Councilman Bennett, seconded by Vice Mayor Bannon, to approve the minutes of the April 6, 2012 Northampton County Chamber of Commerce State of the Country, Commonwealth and County Breakfast, the April 12, 2012 Executive Session and the April 19, 2012 Work Session as presented and the April 12, 2012 Regular Meeting, as corrected. The motion was approved by unanimous consent.

REPORT PRESENTATIONS:

A. *Town Manager's Report:*

There were no changes to the written report.

B. *Treasurer's Report:*

There were no changes to the Treasurer's report dated April 30, 2012 which showed \$32,636 in the Bank of America checking account, \$159,150 in the Shore Bank account and \$793,364 in the Local Government Investment Pool (“LGIP”) with a Total Cash on Hand of \$995,150. The report also showed \$96,974 in the Restricted Cash Balance LGIP – Rural Development and \$257,581 in the US Bank – VRA Interest Free Loan with a Total Cash Held in Reserve of \$354,555.

Motion made by Vice Mayor Bannon, seconded by Councilman Bennett, to accept the Treasurer's Report as submitted. The motion was approved by unanimous consent.

C. *Recreation Report:*

There were no changes to the written report.

D. *Library Report:*

There were no changes to the written report.

E. *Harbor Report:*

There were no changes to the written report.

F. *Public Works / Public Utilities Report:*

There were no changes to the written report.

G. *Code Enforcement:*

There were no changes to the written report.

H. *Planning Report:*

There were no changes to the written report.

I. *Police Department:*

Chief Charles Brown reported that approximately two (2) months ago, an alleged assault was reported to have happened on the Cape Charles Beach. An investigation was launched in a joint effort by the Cape Charles Police Department, the Northampton County Sheriff's Department and the Virginia State Police. As of two (2) days ago, the investigation determined that the alleged assault did not occur on the Cape Charles Beach.

OLD BUSINESS:

E. *Echelon Sale and Purchase Contract:*

Assistant Town Manager Bob Panek stated that there was no resolution on the table this evening to approve the sale contract of the former school building to Echelon Resources. Resolution #20120510 – Sale of Former School was to authorize another public hearing to finalize the sale. Copies of the revised Staff Report and draft of the Sale and Purchase Contract were available on the table at the side of the room for the citizens to review.

Motion made by Councilman Bennett, seconded by Councilman Sullivan to schedule a public hearing for June 14, 2012 preceding the Town Council Regular Meeting.

Mayor Sullivan read Resolution #20120510 – Sale of Former School and asked for a roll call vote.

Resolution #20120510 – Sale of Former School was adopted by the Town Council by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

A. *Public Service Authority (PSA) & Regional Wastewater System:*

Bob Panek stated that several things had happened since the last update in March. The PSA and the Accomack-Northampton Planning District Commission (ANPDC) met with the USDA Rural Development (USDA-RD), Department of Housing and Community Development (DHCD) and the Department of Environmental Quality (DEQ) on March 14, 2012 to discuss a coordinated approach to grant/loan packages for the Northern Node (Exmore and the Nassawadox medical community). Unfortunately, grant funding from the USDA-RD would not be available until Fiscal Year 2014. Therefore, with the severe lack of available grant funding at this time, the PSA decided to restructure the sequence of obtaining funding from different agencies and withdrew this year's application for loan assistance.

Based on additional surveys, public engagement and engineering analyses, the PSA recommended to the Northampton County Board of Supervisors that no county areas be included in the Southern Node (Cape Charles and Cheriton) project. Limiting the service area to the Town of Cheriton would decrease the project cost to approximately \$7.5M. The funding agencies indicated that they could realistically fund only one large project in Northampton County, therefore, the PSA decided to explore a more limited service area focused on the commercial properties around the US 13/SR 184 intersection. The preliminary estimate for this project was between \$1.5M - \$2M. The objective would be to

fund this first phase of the Southern Node primarily with private capital contributions from the commercial property owners.

Councilman Bennett asked whether there was any possible grant funding for the first phase of the Southern Node project. Bob Panek stated that it was highly unlikely that there would be any grant funding available and the funding would have to be raised from private capital contributions or loans would have to be obtained.

B. *Northampton County Public Service Authority Ordinance Amendment:*

Heather Arcos stated that on June 28, 2010 the Northampton County Board of Supervisors and the incorporated towns of Cape Charles, Cheriton, Eastville, Exmore and Nassawadox adopted ordinances to join the Eastern Shore of Virginia PSA. The original ordinance and Articles of Incorporation called for a membership of 10 but with the County's redistricting, the number of members in the PSA was reduced to nine (9) and the ordinance and Articles of Incorporation needed to be amended to reflect the change in membership. A public hearing was held earlier this evening and no comments were heard. A new ordinance needed to be adopted amending original Ordinance #20100628 to reflect the reduction in members and to authorize the amendment of the Articles of Incorporation of the PSA.

Mayor Sullivan moved for adoption of Ordinance #20120510 to Amend Ordinance #20100628 Entitled "Cape Charles Town Council Ordinance Re: Joinder of the Incorporated Town of Cape Charles to the Eastern Shore of Virginia Public Service Authority" as noticed and forewent reading of the Ordinance. Ordinance #20120510 was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

C. *Zoning Map Amendment and Conditional Use Permit:*

Town Planner Tom Bonadeo stated that the public hearing regarding this issue was taken off the public hearing agenda this evening and suggested that a joint public hearing with the Planning Commission be scheduled to precede the Planning Commission's June 5, 2012 Regular Meeting. The scheduling of an additional public hearing was procedural regarding required notifications and not substantive.

Motion by Councilman Bennett, seconded by Councilwoman Natali, to schedule a Joint Public Hearing with the Planning Commission preceding their June 5, 2012 Regular Meeting. The motion was approved by unanimous consent.

D. *Cape Charles Town Code Modifications - Connection Charges:*

Bob Panek stated that the proposed modifications would reduce the connection charges for water and sewer services for residential units with less than two (2) bedrooms. Bob Panek went on to state that recently, the Town Council adopted a change to the zoning ordinance to allow Adaptive Reuse of contributing historic structures and structures over 50 years old in the R-1 Zone which included structures such as former churches, schools and commercial buildings which could likely be redeveloped into a number of smaller residences such as one bedroom and efficiency apartments. There were other areas, such as the Harbor Zone, where it could be cost effective to develop smaller units above commercial space. The typical home in Cape Charles had three (3) bedrooms and the average occupancy was just under two (2) persons. It was likely that one (1) bedroom and efficiency units would have an average occupancy of closer to one (1) person, thus creating a lower demand for water and wastewater capacity. It was therefore logical to differentiate the connection charges for smaller units and could remove an unnecessary barrier to development of these units when it otherwise would not be feasible. A public hearing was held earlier this evening and one (1) comment was heard. An ordinance must be adopted for modifications to the Town Code.

Mayor Sullivan moved for adoption of Ordinance #20120510A Revising Water and Sewer Connection Charges as noticed and forewent reading of the Ordinance. Ordinance #20120510A was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

NEW BUSINESS:

B. *National Police Week Proclamation:*

Chief Brown stated that in 1962, President John F. Kennedy signed Public Law 87-726 designating May 15th as Peace Officers' Memorial Day and the week in which May 15th fell was National Police Week. In 1994, the law was amended directing that the flag of the United States be displayed at half-staff on all government buildings on May 15th of each year. This year, Tuesday, May 15, 2012 was Peace Officers' Memorial Day and the week of May 13th - 19th was National Police Week. In honor of all law enforcement officers, the Department of Justice Community Oriented Policing Services (COPS) suggested municipalities adopt a proclamation for Peace Officers' Memorial Day and National Police Week.

Mayor Sullivan read Proclamation #20120510A - In Honor of Peace Officers' Memorial Day and National Police Week.

Proclamation #20120510A was adopted by the Town Council by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

C. *Contract Award - Water Plant Control Panel:*

Heather Arcos stated that the existing control panel that operated the automatic backwash of the pressurized green sand filters at the water plant was installed in 1993 when the plant was constructed. Soon after installation, the manufacturer redesigned system modules making the Town's modules obsolete and 20 years later very difficult to find. Staff advertised a Request for Proposals (RFP) for the design and installation of a new state-of-the art control panel in the water plant. Four (4) proposals were received but one (1) of the companies submitting a proposal did not attend the mandatory pre-submittal meeting. After evaluating the submittals/companies, MC Dean was chosen to design and install the control panel. MC Dean designed and installed the control panels in the new Wastewater Treatment Plant. Their preliminary pricing of \$81,560 was well below the estimates contained in the other proposals and the Town had budgeted \$120K for the new control panel.

Motion made by Councilman Bennett, seconded by Councilman Sullivan to authorize the Town Manager to execute a contract with MC Dean for the Water Plant Control Panel Design and Installation with a cost not to exceed \$81,560. The motion was approved by unanimous consent.

D. *Contract Award - Sewer Main Closed Circuit TV:*

Heather Arcos stated that the Town was currently operating under and working to comply with a Consent Order entered into with the State of Virginia on September 27, 2010. The intent of the Consent Order was to compel the Town to seek ways to curb the inflow and infiltration (I&I) of storm water into the sanitary sewer system. The Town responded to the Consent Order with an Implementation Plan that contained a schedule for a plan of action. Included in the schedule is Closed Circuit TV (CCTV) inspections of the sewer mains. Staff advertised an Invitation for Bids for CCTV inspection of the Town's sewer mains and four (4) bids were received. Bionomic Services of Charlotte, NC was the lowest responsible responsive bidder at \$1.25 per linear foot for TV inspection and \$.14 per linear foot for pressure washing ahead of the camera. With approximately 20K feet to view, the total cost

would be approximately \$27,800. Public Utilities Director Dave Fauber added that \$50K was budgeted this year for I&I and to date, \$35K was unexpended.

Motion made by Councilman Bennett, seconded by Councilman Sullivan to authorize the Town Manager to execute a contract with Bionomic Services for the Closed Circuit Television inspection of the Town's sewer mains with a cost not to exceed \$27,800. The motion was approved by unanimous consent.

E. Route 642 Golf Cart Crossings:

Tom Bonadeo stated that per the Code of Virginia golf carts were only permitted on streets with speed limits up to 25 MPH. The Town had requested on numerous instances in the past that VDOT reduce the speed limit on the portion of Route 642 (Old Cape Charles Road) from the Bay Creek Resort entrance to the Historic District to 25 MPH but VDOT had not been willing to do so. Last year, the Town built a golf cart path to the Bay Creek Resort property but due to legal issues with the Bay Creek property owners, the golf cart path had not been completed to the Bay Creek Resort entrance. Delegate Lynwood Lewis was successful in getting legislation passed to allow towns with a population of less than 2K to have golf cart paths cross public highways with speed limits of 35 MPH at marked intersections. The proposed path would begin at Bayshore Road, continue south to the former Cape Charles Elementary School then cross Route 642 and follow the edge of the woods to the Bay Creek Resort entrance where the path would again cross Route 642 to enter Bay Creek. Resolution #20120510A Supporting Golf Cart Crossings on Route 642 per Virginia Code 46.2-916.3.2 was the first step in the VDOT process to get the approval of the crossings with proper signage.

Mayor Sullivan moved for adoption of Resolution #20120510A Supporting Golf Cart Crossings on Route 642 per Virginia Code 46.2-916.3.2 as noticed and forewent reading of the Resolution. Resolution #20120510A was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

OTHER:

Mayor Sullivan stated that volunteers were needed to work two-hours shifts at the beer truck for the Tall Ships Cape Charles events.

ANNOUNCEMENTS:

- May 17, 2012 – Town Council Budget Work Session @ 6PM
- May 24, 2012 – Town Council Work Session @ 6PM
- May 27, 2012 – Memorial Day Picnic in Central Park
- June 2, 2012 – Benefit By the Bay – Strawberry Street
- June 6-7, 2012 – Tall Ship *Godspeed* at the Harbor
- June 8-12, 2012 – Tall Ships Cape Charles
- June 9, 2012 – Northampton County Chamber of Commerce Harbor Party
- June 14, 2012 – Town Council Regular Meeting @ 6PM

Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali, to adjourn the Town Council Regular Meeting. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk

**Town Council Regular Meeting
May 10, 2012
Public Comments**

Frank Wendell, 515 Monroe Avenue

To Mayor Sullivan & Town Council:

I am here again tonight in opposition to the unsolicited proposal submitted by Edwin Gaskins of Echelon Resources, Inc., which asks that you the current Town Council "sell" our 100-year-old Historic Cape Charles High School for \$10.00.

I have observed this and recent past Councils' continued violation of the spirit and intent of our Building Municipal Code with regard to our school building. I have also observed this and recent past Councils' continued violation of spirit and intent of our Comprehensive Plan Vision Statement and Section III D.5, Page 44 of the Public Services and Programs Section with regard to our school building.

Now, I observe you the current Council trying to "railroad" through Edwin Gaskins' proposal with a "lame duck" Council in a reckless and potentially unlawful manner which, in my opinion, violates the Town's Code of Ethics Preamble and Section 1 of that as well as the Laws of the Commonwealth of Virginia. I simply am not going to allow this Council to continue to ignore the will of the town's people.

I did not choose this fight, it chose me. So make no mistake when it comes to the 100-year-old Cape Charles High School Building, the former home of the Cape Charles Indian. I, Frank Wendell, have always been ready to fight for Cape Charles. Now, I am fighting for the opportunity for our citizens to have a multi-purpose Community Center, while you, the Cape Charles Town Council seem to be fighting for Edwin Gaskin and Echelon Resources. I do not understand how Edwin Gaskin who is neither a citizen nor a taxpayer in our Town has come to have so much influence over you. This level of influence seems to be so pervasive that the Council has continued to ignore over 350 of our fellow Cape Charles residents and taxpayers who have signed the Old School Cape Charles petition asking only for equal and fair treatment. Treat us the same as Edwin Gaskin and give us equal time to refine our plan and dream of a Community Center.

I would much prefer to work together with the Cape Charles Town Council as we move forward in the development of a Community Center Plan. However, to do that, you must give us equal time to develop this process.

I have submitted to Mayor Sullivan a potential Lease Agreement patterned after the one between the Friends of the Onancock School and the Town of Onancock to serve our Community as a guiding document.

Mayor Sullivan, I love this Town and our wonderfully, diverse community too much to give anything less than my best efforts going forward with the Community Center concept. I sincerely hope that you and the Town Council can learn to feel the same way. Let us work together for a better Cape Charles for all its citizens!

Sincerely,
Frank Wendell
Residence: 515 Monroe Avenue
Contact Frank Wendell via email at
Frank.Wendell@verizon.net

Daniel Burke, 516 Madison Avenue

Dear Mayor, Council members and Town Manager:

I am again taking this time to reiterate my opposition to council's intent to convey our old high school to Echelon Resources.

1. The town council has seen fit to restrict the flow of specific information regarding this issue. I suspect the council does not have detailed specifications on this project and is entering into this agreement based on undocumented, general statements.
2. The information made public to this point, that a broker is going to restore and convert the high school into 16 one bedroom apartments sounds like wild speculation from another time. If this was 2005 maybe it would have a chance. I have worked closely with real estate appraisers in the last year. They all say those days are gone, not to return anytime soon. Think about how much has changed in the last 7 years. Even if you assume full rental, and in this market that would be an enormous assumption, financially it can't work. So there must be another angle. What is that angle? Is it cashing in historic credits, huge tax breaks and impact fee waivers? No one seems to know, or if they do, no one is willing to publish it.
3. The committee to save the high school asked the council to table this project for 6 months and give others time to research alternatives. This would have been a fair and moral thing to do. To date that request has been ignored.

While council is within its legal rights to ignore this request and the council is within its rights to meet in secret, it creates an environment of distrust that is more pervasive than you may think. I believe that distrust was made evident in the recent election and will show up again in future elections. Again, we ask that you table the Echelon project for 6 months.

Thank you for your time and attention.

Daniel Burke

Chuck Little, 8 Randolph Avenue

I first came to the Eastern Shore and Cape Charles with my sisters years ago and we just roamed around lower Northampton County for a day. We thought about buying a lot or two at Arlington Plantation. There were two on the bay that were either \$74K each or \$74 for the pair, I can't remember. Cape Charles was in the throes of its decline and there weren't any signs of a revival. The next time I came to the shore was the mid-80s. My daughter and I camped, paddles and fished at Kiptopeke State Park. I needed some socks so we came into Cape Charles and I was able to buy what I needed at Fresh Pride. Cape Charles was a little worse off than on my previous trip with my sisters.

I was selling homes for Dick Foster in Virginia Beach in the mid-80s and told him that if he ever did the job on the shore he had been dreaming about I wanted to come over and run it for him. I made numerous trips with him before he actually purchased the bay Creek property from Brown & Root and started commuting to what was to become Bay Creek in mid-1999 as the development of the first golf course and infrastructure began. I moved to Cape Charles in July of 2000.

At that time, there was a rundown marina on King's Creek with shallow depth, a town harbor in dire need of maintenance and enhancement, a beach that was mostly eroded away, mostly empty store fronts and dilapidated buildings on Mason Avenue, many dozens of houses in total disrepair

in the town, and a mostly unused park in the middle of town that housed an old school in serious need of repair.

Fortunately for some and unfortunately for others, Bay Creek and the town started to boom from a real estate standpoint. I was still the sales director at Bay Creek in 2002 and we closed \$27,000,000 in sales, mostly to speculators and future retirees who hoped to build their retirement homes in a few years. Houses were being gobbled up in town, cosmetically enhanced and resold for some exorbitant profits. Not many of the homes were being bought by people who planned to live in them. Some of the buildings on Mason Avenue were being rehabilitated.

It looked like Cape Charles was on its way. The old Kings Creek Marina was gone and replaced by a modern facility with shops and restaurants and a few dozen new homes. The town harbor has not only been enhanced but improved to become a real source of pride for the community, the beach has been replenished and off shore breakwaters put in place to protect it, many of the buildings on Mason Avenue have been restored and now house businesses, many houses have been restored and we have a Central Park that is also a source of pride for the town and an old school still in serious need of repair. There's a fishing pier that wasn't there when I came to town.

Because of the collapse of the real estate market, Bay Creek has been struggling at best. Many speculators who had purchased lots in Bay Creek and in town and old houses with the expectation they would be able to turn a profit have lost their investments and properties have gone into foreclosure and real estate prices have plummeted.

But if you drive around town now you will see numerous houses being restored. Not just cosmetically prettied up for resale, but restored to their glory days condition by owners who plan to keep them. We have a tall ship initiative bringing ships and tourists to town. My vacation rental business is booming beyond my wildest dreams and I'm pretty sure the town is going to be full of vacationers all summer long. Bay Creek has turned us into a wedding destination bringing in thousands of guests each year.

The Cape Charles Hotel on Mason is nearly complete and has actually already housed guests. It has been redone beautifully. Incidentally, it has been redone by a group from Richmond who paid \$500,000 for it and have invested over \$2,000,000 in it. The reason they have been willing to do that is because they believe in Cape Charles and what it is going to become.

Bay Creek, even though it has been struggling, will come back. The beach club should be started soon and be open next summer and I'm pretty sure its opening will stimulate sales and construction in Bay Creek bringing back some of the prosperity that escaped us in the collapse.

We have space within the boundaries of Cape Charles, mostly in Bay Creek for thousands more residents and likely will come. It is a matter of time. I think we are on the verge of having a sane, stable resurgence in the town and in Northampton County and we will all benefit from it.

The old school was the heart and soul of the town and served as an unstated community center when it was open. It is of significant importance to the many people in the area who have spent their lives here. I have no personal attachment to it but I can understand what it means to the people who lived here when the school was in use. We only have a few hundred new residents in Cape Charles and it is understandable that they do not have a similar attachment to the school but not everything is about the money.

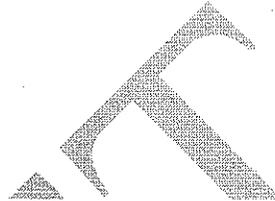
I believe it is also fair to say that none of you on council truly consider 17 apartments the highest and best use for the old school. Echelon has been very successful restoring numerous other historic buildings but they did so in places that had numerous historic buildings in need of restoration or demolition.

Considering all that this town has accomplished in the 12 years that I have lived here and considering that the Cape Charles Hotel has been accomplished without the town giving away its birthright, it seems that this council should suck it up and do the right thing instead of what seems to be the economically sound thing in the short term. When we have 3,000 or 4,000 residents and 100s of kids, you don't want to look back and say, "Darn, I wish we had listened to them."

Cape Charles will survive, Cape Charles will thrive. 17 one or two bedroom apartments are not going to be the determining factor. Get your thinking outside the box. Get proactive and make it happen. We can do it.

Public Comments submitted via email

From: Roger Day [mailto:dayr222@yahoo.com]
Sent: Friday, April 13, 2012 1:11 PM
To: clerk@capecharles.org
Subject: Cape Charles Historic High School Disposition



Town Clerk,

I hereby request that this letter be read at the next town council meeting and added to the town council minutes.

I oppose the give-away to developers of Cape Charles real property, comprising the historic Cape Charles High School and seven lots, worth hundreds of thousands of dollars. I believe that the Town of Cape Charles cash assets in hand and its annual budget are sufficient to maintain and support the above real property as a multiuse town center. Possible uses could include (a) housing the Cape Charles Police Department, (b) importantly, a senior citizens center, and (c) a youth center, which is badly needed in our town. I suggest that unused space upstairs might be rented out as offices or to businesses to help defray maintenance expenses. A town center director would have to be hired, but Cape Charles is a town of volunteers and much of the additional staffing could be filled by volunteers.

The "Old School Cape Charles" (OSCC) citizens group should be given at least six months to provide adequate planning and funding documentation. I also ask the Mayor and Town Council to fully support the OSCC in applying for grant money to help in the OSCC's effort.

I ask the Town Council and Mayor to accommodate themselves to the needs of the Cape Charles citizens and voters, instead of supporting developers of unneeded additional housing. I will closely watch your votes on this issue, whether your decision was made at the April 12 town council meeting or later.

Most Sincerely,

Roger W. Day, PhD
523 Randolph Avenue
Cape Charles, VA 23310

From: Julia Jolly [mailto:julesbtp@hotmail.com]
Sent: Wednesday, May 09, 2012 12:17 PM
To: clerk@capecharles.org
Subject: for the May 10 town council meeting

Dear Town Clerk,

Please read this letter into the public record at the May 10 town council meeting.

I'm writing in reference to the the upcoming vote to sell the old Cape Charles school for \$10 to an out of town developer to build apartments rather than develop the historic structure for town use in spite of overwhelming public outcry against it.

So many things in that previous sentence baffle me and make me wonder what exactly the Town Council is thinking. Let's look at the following points:

1. We're considering selling a property valued at around \$700,000 in the current (dismal) market for TEN DOLLARS? I was under the impression that we are in a recession. If the Town Council decides that the public does think that this property should be sold, wouldn't it make sense to put the contact out to bid to see if we can top that amount? How about this? I formally offer you \$20 for the property. I've just doubled your income.
2. In a recession, in a historically impoverished county, we're offering one of the largest construction jobs that would be available to a company from Richmond? Are Northampton County unemployment rates not at all time highs? Why are we not employing a local company and providing a necessary boost to the town and country economy?
3. Apartments? You think we need more apartments in town? The entire town is filled with residential properties that no one has been able to sell in this market. The condos and apartments built in the last few years sit mostly empty because we've priced the lower and middle income residents out of our community. If you add all the empty Bay Creek houses, how much of Cape Charles is currently vacant?
4. In the past decade, Cape Charles has consistently made building and zoning decisions aimed at "cleaning up" and gentrifying the area. While I understand the impulse to make our town more desirable to tourists, what's actually happened is that we've whitewashed the area into blandness. There are plenty of places to stay in town, but nothing to do. While tourists might be content to eat at restaurants, do a little shopping, and then sit on the beach, that's not a sustainable lifestyle for the year-round residents. The residents need a community center. They need the only park in town. This need is no more prevalent than among the children and teenagers. By removing every possible venue where teenagers might hang out because of the perception that teens are up to no good, you've actually guaranteed that they will be. Without any moderated activities or any safe places to gather, teens will turn to drugs because they are bored. Then those teens grow up, go to college, and when the time comes to choose where they themselves will raise their children, they don't come back to Cape Charles because they know that there's nothing for their kids to do. So we end up with an aging community, no young people to sustain our tourism trade jobs, and a bunch of empty summer homes. Let's stop that trend by utilizing the beautiful, historic building we already have.
5. The public has already considered this proposal and overwhelming stated that they are against it. You are public officials charged with serving the will of your constituents. Anything other than that is an abuse of power and grounds for removal from office.

I urge the council to vote as their constituents demand and not make a mistake that will lead our great town down a path towards being a dusty row of vacant homes.

Best,
Julia Jolly
5 Randolph Ave.

From: Cindy Grissom [mailto:mcgrissom@baycrk.net]
Sent: Wednesday, May 09, 2012 1:46 PM
To: clerk@capecharles.org
Subject: Proposed Community Center - Opposition

Ms. Hume,

Please read our comments into the Minutes. We wish to state our opposition to the proposed Community Center for the following reasons:

1. A thin majority are in favor of the Community Center, however, a limited number are actually willing to increase their taxes to fund the multimillion improvements required.
2. The town's debt burden is already high in light of the waste water treatment facility. Further, most citizens have not experienced the financial impact, as we await the looming rate increases needed to fund the project debt service.
3. The Community Center will likely incur annual operating losses over an above the debt service for its improvements, which requires even more taxes from the citizens.
4. Whereas, the proposed apartment construction by Echelon actually increases the real estate tax base, rather than adversely impacting the City's annual operating budget.

Cindy and Monte Grissom
(757)685-1467
mcgrissom@baycrk.net

From: Scott D. Banks, DC [mailto:sbanksdc@dceducation.com]
Sent: Wednesday, May 09, 2012 4:05 PM
To: clerk@capecharles.org
Subject: Opinion for town council meeting

I would like to express my support for proceeding with the sale to and rehabilitation project for the old school by E. Echelon Company. The idea of a community center is appealing but not financially wise at this time. We would be much better served having a significant asset on the town tax rolls at this point versus a liability that would in all reality occur with a community center.

Sincerely

Scott D. Banks
1 Moon Ct
Cape Charles

From: Peter Lawrence [mailto:casscon@baycrk.net]
Sent: Wednesday, May 09, 2012 4:36 PM
To: clerk@capecharles.org
Subject: against the Community Center

To the Council,

This is a bad idea at this particular time. First, as I understand it, there is no formal group and no formal proposal from the folks who want to save the school. If there's not a guarantee from one or more of their supporters to back the renovation and operating costs, I've heard the burden could fall on the taxpayers to the amount of between \$2-4 million.

I'm not prepared to have my property taxes raised to support that project when there are other dramatically more pressing needs like construction and operation of a free standing emergency department in this area. With the hospital moving, this should be an issue that the Council and citizens really focus on.

If the Echelon proposal is accepted, the Town will be relieved of a potential liability of approximately \$500,000 to remove the asbestos and lead in the building and demolish it. It also means we go from a non performing Town asset to one that over time will generate needed new property tax revenue and hopefully attract additional residents to Town to help support our current businesses.

Over time, the group that supports the community center can get formally organized and raise funds to build and operate a community center somewhere else. It can be built in the image of the current school if they wish.

Nothing wrong in principal with the community center but when our economic future is this uncertain, the significant downside risk is not warranted. Thank you for the opportunity to express my thoughts on this issue. They may be read into the record if desired.

Peter C. Lawrence
7 American Ct.
Cape Charles, VA 23310

From: Sue Pruitt [mailto:essuzyq@verizon.net]
Sent: Wednesday, May 09, 2012 7:27 PM
To: clerk@capecharles.org
Subject: C. C. School

I am writing in regard to the selling of Cape Charles School. It is the most unheard of giving the Cape Charles School to Echelon for \$10.00. I am strongly opposed to this matter. The whole council and others have lost their feeble minds. You are too lazy to try to come up with funding for the school. If it was Mr. Foster or the railroad, I am sure you would find a way to save it. I am totally against Echelon. Here you have a nice Central Park and going to ruin it by putting apartments. I am truly upset by this whole matter. S. Pruitt

-----Original Message-----

From: Bill Neville [mailto:bneville41@comcast.net]
Sent: Wednesday, May 09, 2012 7:59 PM
To: clerk@capecharles.org
Cc: Junius; Frank Wendell
Subject: Cape Charles School

Although I no longer live in Cape Charles, I grew up there and still have a strong attachment to the town. I am a member of the Cape Charles Historical society and do everything I can to support the town. Over my 70 years I have see the town when it thrived with railroad activities, I also watched with sadness as it declined with the moving of the ferries and the railroads decline. As I grow older my memories of the lifestyle I and my family and friend experienced convinces me that while you

can't return to the past, you can strive to return to that way of life in many ways. I believe that the return to that slower more friendly lifestyle appeals greatly to many people. What I have seen over the past few years convinces me that Cape Charles is moving in that direction and people local and otherwise see that and are strongly attracted to it. They like a small town with a close sense of community. I see many people who have moved to Cape Charles and strongly support our town with their commitment of time and effort. I think of what a great community asset we have in people such as Butch and Nancy Vest and many others and what their impact has been. That support I believe is because of what they see in our town and its potential. I believe the town has begun over the past few years to recognize and start to capitalize on much of our potential with the harbor project and our small town appeal. Sometimes the choices that are before us in promoting our town are not always as obvious as they appear. I think that a very essential part of our appeal is related to connections with the past and a sense of continuity. With all of this said I would like to urge the council to take a longer prospective on what is at stake with the school issue and give the Old Cape Charles School Group a chance to develop and present there proposal. I have witnessed what an inspired and dedicated group is capable of and don't think this group should be denied their chance to show what they are capable of.

I respectfully request that this be read into the public record at the May 10 council meeting.
Sincerely,
Bill Neville

-----Original Message-----

From: pagebrad@aol.com [mailto:pagebrad@aol.com]
Sent: Wednesday, May 09, 2012 9:00 PM
To: clerk@capecharles.org
Subject: School

Clerk of Cape Charles - I am not in favor of the school being sold. Please post my vote in the the Town Records and also post that I think more time should be allotted to raise money for its renovation and made a source for community activities : thank you so much

C. Page Bradford, Jr.
804-539-2686. Cell Sent from my iPhone=

From: B Dalinsky [mailto:bdalinsky@yahoo.com]
Sent: Thursday, May 10, 2012 12:34 AM
To: clerk@capecharles.org
Subject: Comments Re: "Item 6. E. Echelon Sale and Purchase Contract"

I am a citizen of Cape Charles interested in the decision-making process concerning the disposition of the public property known as Cape Charles High School. Apparently, there are two proposals for the future development of this property: the first is to provide the property to a private sector contractor who would develop it into private living quarters for public rental; and the second is to convert the property at public expense into a community center.

Before any decision is rendered, the parties involved should prepare and provide Economic Impact Statements through the Board for public review. The citizenry needs to know for each proposal how development will proceed, how it will be funded, and the short and long term effects for the tax payers. Cape Charles needs projects that will generate revenue for our economy and increase our tax base. My initial reaction to these proposals is that private development of the property at private expense will aid our economy more than the development of the property at public expense.

However, the information provided in Economic Impact Statements should validate the final decision in this matter.

Arnold B. Dalinsky
4 Crystal Lake Court
Cape Charles

From: Heather Banks [mailto:hbanks@baycrk.net]
Sent: Thursday, May 10, 2012 9:44 AM
To: clerk@capecharles.org
Subject: E. Echelon Sale and Purchase Contract

To: Libby Hume, Town Clerk Cape Charles, VA
From: Heather Banks, 1 Moon Court, Cape Charles, VA

Please read the following into the minutes of the Town Council meeting May 10, 2012:

There are some who have a sentimental attachment to the old Cape Charles School building and want to have it saved by the town to be used as a community center. However, unless they have a way to pay for the building to be rehabilitated not using taxpayers' money and also a way to provide a tax basis for the town, it is not in the town's best interest at this time.

I am in favor of having the Echelon company purchase the building and rehabilitate it into something that will provide a tax basis for the town.

From: George Savage [mailto:vgsavage@verizon.net]
Sent: Thursday, May 10, 2012 9:54 AM
To: clerk@capecharles.org
Subject: school

Thru its history and without any question, Cape Charles School and School grounds have had the greatest impact on everyone raised and educated in Cape Charles. We feel every avenue should be explored before destroying and every effort should be made to preserve.

Thank you, Virginia and George Savage, Jr.

From: Wayne Creed [mailto:waynepcreed@yahoo.com]
Sent: Thursday, May 10, 2012 11:12 AM
To: clerk@capecharles.org
Subject: Letter to Mayor and Council

Hi Libby, I can't make the meeting due to previous engagements, yet wanted to send this letter instead.

Thank You,
Wayne Creed

Thursday, May 10, 2012

Honorable Mayor and Town Council:

I am writing this note in hopes that Council will avoid voting on the sale of Cape Charles High School tonight, May 10th. The Mayor and Council should be aware that to do so would be in clear violation of Virginia Code 15.2-1800, in that there has never been a public hearing on the topic of the sale of the old school to Echelon of Richmond, Virginia. The hearing on February 9th only dealt with whether or not negotiations with the developer should continue, and never touched on the terms of the sale. To move forward without this public hearing is in violation of Virginia code.

Missing in action is also the terms of the potential contract for members of the public. Virginia code 2.2-3707 requires that at least one copy of all agenda packets must be furnished to the public body for inspection. As of yet, we are unaware of any such materials.

More egregiously, the Town violated the Freedom of Information Act by withholding the contract from the public. It is apparent from this Virginia Supreme Court Ruling that the Town was in violation (improperly invokes contract negotiations clause) when they closed the sessions, see: <http://dls.state.va.us/pubs/briefs/Brief44.pdf>

In regards to the zoning changes needed to move forward with the Echelon deal, the Town failed to provide Improver Notice for Zoning Changes. Virginia code 15.2-2204 requires that if a proposed amendment (in this case the Conditional Use Permit and Zoning Map Amendment) affects 25 or fewer parcels, the planning commission must deliver notice to all property owners adjacent to the school. I am not aware that any of this ever happened.

In an effort to fast track this sale to Echelon, the Town has violated the spirit of the law. By not receiving other bids, the town did not pursue the best possible deal for the taxpayers of the town. Virginia code 2.2-4300 means to insure that procurement should be fair, and above all should avoid the appearance of impropriety. Recent Freedom of Information Requests have revealed a Mayor, Council and Staff that are far too cozy with just one developer, and back room, behind the scenes actions meant to fast track this sale have indeed created an appearance of impropriety.

Given these items, I would respectfully request that Town Council remove the sale of the school to Echelon on May 10, 2012. It is time to crack the shell and open this deal up to the light of day. This is a very important matter, and should not be taken lightly, or rushed into blindly like a fool in love. For the sake of the town, our history, and our future, let us not clutch onto the first unsolicited bid, and instead, really break this project into its component parts, and review the real numbers involved in each specific alternative. This is a project for a new, fresh council, and should not be decided by what for all intents and purposes is a lame duck session. It was the belief of the Mayor, Council and Staff that they could push this deal through in the darkness and cold of winter, and the slumbering dogs of Cape Charles would never notice. Last week's elections confirmed instead that we are awake and our eyes are wide open.

Thank you for your time and consideration,

Wayne Creed
548 Monroe Ave.

From: John W. Burdiss [mailto:johnburdiss@baycrk.net]

Sent: Thursday, May 10, 2012 5:26 PM

To: 'Town Clerk'; clerk2@capecharles.org

Cc: 'Heather Arcos'; 'Dora Sullivan'; "Steve Bennett"; 'Mike Sullivan'; "Larry Veber"; "L. G. "Chris" Bannon"; 'Joan Natali'; stay@capecharleshouse.com

Subject: Comments to be read into the record at tonight's Town Council Meeting (05/10/2012)

Importance: High

Libby,

Cela and I are leaving shortly for MD for business near DC and also Annapolis tomorrow and we cannot attend the meeting tonight.

Thanks,
John

Would you please read the following into the record for me?

Here's why selling the School makes sense

First, who could be opposed to having a "Community Center" - no one? However, all of the arguments for that center and against the possible sale are based on emotion, false assumptions and a lack logical and responsible financial grounding.

1. So the 7 lots are worth \$100k each; according to whom? And, this is the key, to sell the "lots" you have to first tear the school down.
2. As to operating in the shadows and secrecy. Municipal Governments all make perfectly legal and logical use of closed session meetings. If I want to deal with anyone as a private citizen with another private citizen, our dealings are "private". The Town Council, elected to serve as fiduciaries for all citizens and of the Town's "assets" may choose to consider bids like Echelon's in closed session so as not to allow 3rd parties to take advantage of Echelon's bid; just like dealings between 2 private parties occur.
3. If the Council determines that it is in the best interest of the Town (which is their proverbial gold standard), then the Council can and should approve the sale.
4. Echelon may be able to leverage its investment by obtaining tax credits, however, this is quite common practice and to obtain the credits, Echelon must first complete the project.
5. Those who say we don't need more housing are ignoring Echelon's and everyone's right to build anything that is acceptable and take the economic risks.
6. Others have less politely said they fear the project will turn into low income housing, but you don't see that said out loud as it undermines the mantle purity and equality that the save the school crowd claims.
7. There is no substance and there are no facts to support any ideas that grant or other free funds are available to rehab the structure.
8. It is absurd to think that once rehabbed - even if it cost the Town \$0 that the facility could be self-sustaining based on user fees or County help.
9. As to tax increases. We now pay \$.1828 per hundred dollars of assessed value. Based on current assessments, each \$.01 of R/E taxes raises about \$58k.
10. IF - big IF - the Town could rehab the building for use as a community center for \$2 million; that would cost the Town about \$133k/year to amortize that over 20 years at 3%. Put in higher amounts to rehab or higher interest rates and that amount is larger. That payment equates to about 2.3 cents in new taxes or an increase of 12.5%.

11. NOW let's talk about use and costs. First, this is a school building, not built to be a "community center." The gym is not regulation size and to make it a functional, acoustically useful meeting room would eliminate most "sports" functions - like basketball.
12. IGNORING that the building would be difficult to adapt, what will it cost to run it?
13. Well, in addition to utilities, insurance and maintenance, a reasonable plan would be to build cash reserves to replace/rehab this building in the future, so let's just say those things might total \$60k/year; that's another \$.01 increase or 5.5% more.
14. To be useful and worthy of spending millions to rehab, the facility would need to be open many hours each day, every day of the week. So, let's say it is open 8 to 8 Monday through Saturday and 1 to 8 on Sundays. That's about 80 hours per week when someone must keep up with the sprawling 22,000 SF.
15. I would estimate that the costs of the staff necessary to run all the programs desired, provide onsite supervision, and to schedule and promote the programming would be \$175k to \$200k/year, or another \$.03 to \$.035/cents in taxes, or an increase of 16% to 19%.
16. So, to cover all these costs - debt service, upkeep & operation the total would be nearly \$400k/year; that would require a tax increase of about \$.069, which divided by the current \$.1828 rate is nearly a 38% increase.
17. Moreover, no costs have been added in the above totals for addition public safety issues - Police - or administrative work by Town staff not directly involved in the community center. That could certainly add another \$58k/year or more, or another \$.01, which would be another 5.5% increase, bringing the total to approximately a 43% tax increase.
18. Lastly, it is a forgone conclusion that much of the use of the center would come from residents who don't live in Cape Charles. So if the County wants to help out, let the County build a community center for all County taxpayers to support, not just those of us in Cape Charles who, by the way, pay County taxes just like everyone who lives outside of our Town's limits.

John W. Burdiss, Esq.
117 Mason Ave., Suite E
Cape Charles, VA 23310

Phone: 800-820-4594 or 757-331-4331

Fax: 757-331-1930

Email: johnburdiss@baycrk.net

Website: www.johnburdiss.com

Licensed in Virginia (Bar # 70851) & West Virginia (Bar # 10352)



DRAFT
TOWN COUNCIL
Public Hearing
St. Charles Parish Hall
May 10, 2012
6:00 p.m.

At 6:00 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Public Hearing of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Evans, and Sullivan and Councilwoman Natali. Councilman Veber was not in attendance. Also in attendance were Councilmen-Elect Donald Clarke and Frank Wendell along with Town Manager Heather Arcos, Assistant Town Manager Bob Panek and Town Clerk Libby Hume. The Department Heads were also in attendance along with approximately 80 members of the public.

Mayor Sullivan announced that the evening's Public Hearing was to hear public comment regarding the proposed modifications to Sections 70-35 and 71-42 of the Cape Charles Town Code and the Northampton County Public Service Authority Ordinance Amendment.

PUBLIC COMMENTS:

Lenora Mitchell, 309 Tazewell Avenue

Ms. Mitchell addressed the Town Council expressing her opposition to the proposed modifications to the connection fees for water and sewer services. The change would benefit one entity and would not be for the greater good of the community. The working class people of this community had not received any consideration or compassion when it came to Town employees enforcing the Town Codes. The letter of the law was followed. Some of the Codes were repressive, oppressive and depressive. Now we know that they were not set in stone and could be changed when the right situation presented itself. Reportedly, a resident complained about the water utility bill to a Councilman whose response was that "if you could not afford to live here, you needed to move." This was the wrong answer. Ms. Mitchell stated that if it were her, she would have told the individual where they could move. If Council wanted to change the Code, change the utility code. The water utility increased every few months and right after the increase, citizens received a water quality report suggesting that if an individual had medical issues they should check with their doctor before consuming the water. The utility code needed to be changed along with the 10% penalty, the \$30 fee for late payments, and the termination of services. The bills kept coming. People were charged for vacant lots, vacant uninhabitable structures and other vacant structures. Change the Code that stated that residents could be evicted from their property for not having running water after their services were terminated. Even after their services were terminated, the residents were still being billed monthly for the services. That Code change would be for the greater good of the people.

There were no other comments from the public nor any written comments submitted prior to the meeting.

Mayor Sullivan adjourned the Town Council Public Hearing by unanimous consent.

Mayor Sullivan

Town Clerk



DRAFT
TOWN COUNCIL

Executive Session
Town Hall
May 17, 2012
5:00 PM

At 5:05 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Executive Session of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Evans, Sullivan and Veber and Councilwoman Natali. Councilman Bennett was not in attendance. Also in attendance were Town Manager Heather Arcos, Town Planner Tom Bonadeo and Mr. John Burdiss.

Motion made by Councilwoman Natali, seconded by Councilman Veber and unanimously approved to go into Closed Session in accordance with Section 2.2-3711-A of the Code of Virginia of 1950, as amended for the purpose of:

Paragraph 3: Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

Specifically: Real Estate Acquisition Opportunity

Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals.

Specifically: Town Treasurer Position

Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali and unanimously approved to return to Open Session.

Motion to certify to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Roll call vote: Bannon, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

Mr. John Burdiss left the meeting after the discussion regarding the real estate acquisition opportunity.

Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to appoint Ms. Kimberly Coates as the Town Treasurer. The motion was unanimously approved by roll call vote: Bannon, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

Ms. Coates will be officially introduced at the June 14, 2012 Town Council Regular Meeting.

Motion made by Councilman Evans, seconded by Councilman Veber, to adjourn the Town Council Executive Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk

DRAFT



DRAFT TOWN COUNCIL

Work Session

Town Hall

May 17, 2012

Immediately Following Executive Session

At approximately 6:20 p.m., Mayor Dora Sullivan, having established a quorum, called to order the Work Session of Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Evans, Sullivan and Veber and Councilwoman Natali. Councilman Bennett was not in attendance. Also present were Councilmen-Elect Donald Clarke and Thomas Godwin and Town Manager Heather Arcos, Assistant Town Manager Bob Panek and Town Clerk Libby Hume. There were no members of the public in attendance.

Mayor Sullivan announced the business for the evening would be to continue review of the FY 2012/2013 Budget.

Town Manager Heather Arcos began by giving an overview by fund.

The General Fund was in balance at \$1,975,356 with no tax increases. Northampton County was proposing a 6¢ increase in real estate tax rate from 49¢ to 55¢ and considering a 25¢ reduction in the personal property and machinery & tools tax rates. The General Fund Revenues included: i) Northampton County was increasing their annual contribution towards the Cape Charles Memorial Library by \$4,500 for a total contribution of \$20K; and ii) Lease revenue of \$6,750 was included from The Shanty. The General Fund Expenditures included: i) 1% Cost of Living Allowance (COLA) for all employees. A 1% COLA was also given in the FY 2011/2012 budget but no COLA increases were given for the four previous years; ii) A 5% increase was mandated by the State of Virginia for all full time employees to compensate for employees now being required to pay a 5% member contribution to the Virginia Retirement System; iii) An additional \$2,500 was allocated to the Historic Society for roof repairs since their grant funding request was not approved; iv) \$1,300 was allocated towards the partnership to run a trolley service in Cape Charles and the lower Eastern Shore over selected holidays and events; and v) A part-time administrative assistant was included in the Code Enforcement department and the hours for the part-time Library assistant had been increased during the busy summer months.

Mayor Sullivan stated that she received an email today confirming the trolley service and a proposed schedule. Heather Arcos added that there were seven (7) partners: Chatham Vineyards, Barrier Island Center, the Town of Eastville, Bay Creek Resort, the Cape Charles Business Association, the Town of Cape Charles and Northampton County. Northampton County was contributing \$1K and the remaining six (6) partners were contributing \$1,300 each. There was some discussion regarding the fact that there were three (3) partners in Cape Charles. Councilman Evans stated that he thought there would be two (2) trolleys – one (1) staying in Cape Charles and the other one providing shuttle services from Cape Charles up to Chatham Vineyards with stops at the other partners' locations. Councilwoman Natali suggested that the Town's \$1,300 be included in the Town Manager's budget until clarification of the services was obtained. Heather Arcos informed Council that she would forward all information received via email to everyone for their review so a decision could be made.

Heather Arcos continued by giving an overview of the General Fund Capital Projects: i) Community Trail Phase 2 which would be funded 80% by a grant through VDOT; ii) Street sweeper for the Public Works department; and iii) Bathroom in Central Park which would be funded mostly by the Citizens for Central Park (CCP) who just received a \$20K grant for this project. The Town's contribution would be \$15K and CCP would pay the remainder of the costs.

Councilwoman Natali asked where the extra \$4,500 received from Northampton County for the Library would be used. Heather Arcos stated that the funds would be used to offset the Library budget of \$105K.

There was some discussion regarding providing laptops or iPads for Council use vs. the cost of paper for hard copies of the agenda packets and whether the cost of paper could be tracked.

Heather Arcos went on with an overview of the Harbor Fund as follows: i) A potential capital project was the next section of breakwater. Notification was just received that the Town was awarded another \$500K from the Virginia Port Authority (VPA) for this project. The Town had a 25% match for the project; ii) 1% COLA and 5% VRS Mandate as discussed earlier; and iii) Increase in the number of seasonal employees. The budget advertisement would be revised to add the \$500K from the VPA under both revenue and expenditure in the Harbor Fund budget.

Heather Arcos reviewed the Public Utilities Fund – Water as follows: i) The water rate was decreased by \$3.45 but the wastewater rate would be increased by \$3.45; ii) As in the General and Harbor Funds, a 1% COLA and the 5% VRS Mandate were included; iii) The number of water plant employees would be reduced from three (3) to two (2) full-time employees; and iv) One (1) full-time employee would be shared by the water and wastewater plants. Staff in the two (2) plants would also be cross-trained. Capital projects for Public Utilities – Water included: i) The connection of two (2) wells; ii) Evaluation of the softener media, which was original to the building; iii) Purchase of a utility trailer to be shared by the water and wastewater departments; iv) Installation of stainless steel walkway and racks; and v) An asset management system to be utilized by the water and wastewater departments.

The Public Utilities Fund – Wastewater was reviewed as follows: i) The wastewater rate would be increased by \$3.45 following closure of the old plant and acceptance of the new plant. A rate study would be performed later this summer; ii) As in the other Funds, a 1% COLA and the 5% VRS Mandate were included; iii) Overall expenses were increased to operate the new wastewater treatment plant. Capital projects for Public Utilities – Wastewater included: i) A replacement vehicle; ii) a Utility Trailer to be shared with the Water department; iii) the new wastewater treatment plant; and iv) An asset management system to be utilized with the Water department.

Heather Arcos informed Council would be provided with the Detail Reports by Department prior to the June 7th Public Hearing.

Motion made by Councilwoman Natali, seconded by Councilman Evans, to adjourn the Town Council Work Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk



**DRAFT
TOWN COUNCIL**

Special Meeting

Town Hall

May 24, 2012

6:00 PM

At 6:00 p.m., Mayor Dora Sullivan, having established a quorum, called to order the Special Meeting of Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Evans and Sullivan and Councilwoman Natali. Councilman Veber was not in attendance. Also present were Councilmen-Elect Clarke and Godwin and Town Manager Heather Arcos and Town Clerk Libby Hume. There was one (1) member of the public in attendance.

Mayor Sullivan announced the business for the evening would be as follows:

- A) Appointment of a local town attorney.
- B) Authorization of a line of credit with Shore Bank.
- C) Cape Charles Volunteer Fire Company request.

A. Local Town Attorney:

Heather Arcos stated that the Town advertised a Request for Proposals for a Local Town Attorney in January and three (3) proposals were submitted prior to the deadline. After review of the proposals, staff recommended award of the contract to Cowan Gates, P.C. of Richmond. Messrs. Frank F. Rennie, IV and Ernest "Rusty" Gates, Jr. were partners in the firm and Mr. Gates had a home in Cape Charles. Cowan Gates, P.C. was a law firm of 30 attorneys and support staff with specialty in local government law, civil litigation, property rights, land use and eminent domain at all levels of state and federal court. Mr. Rennie also served as the attorney for Lunenburg County, Virginia. Mr. Rennie was also a member of the Local Government Attorneys of Virginia as requested by the Town Council. The fee for services provided by the partners was \$225 per hour and \$150 per hour for associates. It was determined that much of the routine legal work could be done by associates at the lesser rate. Heather Arcos went on to state that Messrs. Rennie and Gates wanted to attend a Council meeting in June to introduce themselves and meet the members of Council.

There was some discussion regarding their previous experience with government entities and Councilman Bennett suggested the meeting with Cowan Gates, P.C. be scheduled for July after the new Councilmen took office.

Councilwoman Natali suggested an addition to the contract allowing for an option to renew for an additional two (2) years if the Council and staff were satisfied with their performance.

Motion made by Councilman Bennett, seconded by Vice Mayor Bannon, to appoint Cowan Gates, P.C. as the Local Town Attorney and authorize the Town Manager to execute the two-year contract as outlined in the Request for Proposal, with an option to renew for an additional two years. The motion was unanimously approved.

B. Shore Bank Credit Line:

Heather Arcos stated that in the past, the Town maintained credit lines with the Bank of America and PNC Bank which served as a safety net for the Town. With the recent change in financial institutions, the Town's credit lines have been closed. The Town established a financial relationship with Shore Bank after receiving notification from the Bank of America of its intent to close the Cape Charles branch. Shore Bank offered the Town an unsecured line of

credit in the amount of \$500K and was waiving the \$250 origination fee. The interest rate was a variable rate at prime plus .5. Currently prime was 3.25% so the initial rate would be 3.75%. The line of credit must be paid in full annually by the anniversary date and maintain a zero balance for at least 30 consecutive days within the year. A resolution was required to authorize establishment of the line of credit with Shore Bank.

Motion made by Councilman Evans, seconded by Councilwoman Natali to adopt Resolution #20120524 Authorizing a Line of Credit with Shore Bank in the amount of \$500K. Mayor Sullivan moved to adopt Resolution #20120524 – Authorizing a Line of Credit with Shore Bank as noticed and forewent reading of the Resolution. Resolution #20120524 was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

C. Cape Charles Volunteer Fire Company Request:

Mayor Sullivan stated that the Cape Charles Volunteer Fire Company (CCVFC) requested \$30K to be allocated in the FY 2011/2012 budget to pay for insurance and an annual equipment loan payment. The fire company had a shortfall due to equipment and vehicle repairs. After holding a work session with the CCVFC Board on April 20, 2011, the Town Council budgeted \$30K in a contingency fund to be approved by the Town Council for disbursement of funds.

Heather Arcos added that the Town Council had approved and paid \$8,191 to date towards insurance and \$14,567.56 for the annual equipment loan for a total of \$22,758.56. On April 30, 2012, the CCVFC Treasurer, Hollye Carpenter, submitted a request for reimbursement for the final insurance payment in the amount of \$7,241.44. With this payment, the total amount contributed by the Town to the CCVFC would be \$30K.

Heather Arcos stated that she had spoken with Hollye Carpenter who had informed her that the CCVFC was having difficulty in obtaining an accountant to complete the 2011 financial audit at an affordable cost. Ms. Carpenter had stated that Accomack and Northampton Counties did not require financial audits from the volunteer fire companies but accepted copies of the annual tax returns and quarterly financial reports. There was much discussion regarding the audit requirement. Vice Mayor Bannon stated that he felt an audit was a good thing and Councilman Evans expressed his agreement with Vice Mayor Bannon especially in light of the CCVFC's financial difficulties. Mayor Sullivan added that she felt the Town should provide the \$7,241.44 reimbursement to the CCVFC and try to help them find an accountant to perform the financial audit for 2011. Councilwoman Natali also added that in the meantime, the Town should request copies of the annual tax returns to circulate amongst the Council for review.

Motion made by Councilman Evans, seconded by Councilman Sullivan, to authorize the Town Manager to reimburse \$7,241.44 to the Cape Charles Volunteer Fire Company for the final insurance payment. The motion was approved by unanimous consent.

Motion made by Vice Mayor Bannon, seconded by Councilman Bennett, to adjourn the Town Council Special Meeting. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk



**DRAFT
TOWN COUNCIL**

Executive Session

Town Hall

May 24, 2012

Immediately Following Special Meeting

At 6:25 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Executive Session of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Evans and Sullivan and Councilwoman Natali. Councilman Veber was not in attendance. There were no members of staff in attendance.

Motion made by Councilwoman Natali, seconded by Vice Mayor Bannon and unanimously approved to go into Closed Session in accordance with Section 2.2-3711-A of the Code of Virginia of 1950, as amended for the purpose of:

Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals.

Specifically: Town Manager Evaluation

Motion made by Councilman Sullivan, seconded by Vice Mayor Bannon and unanimously approved to return to Open Session.

Motion to certify to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes.

Motion made by Councilman Bennett, seconded by Councilman Sullivan, to adjourn the Town Council Executive Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk

Town Manager Report
Highlights
May 11, 2012 – June 6, 2012

Water Quality Report:

- A letter was received from the Commonwealth of Virginia Department of Health Office of Drinking Water notifying the Town of the results of the total trihalomethane (TTHM) analyses which indicated that the water sample contained 0.040 mg/l and the current running quarterly average is 0.064 mg/l, which is below the Primary Maximum Contaminant Level of 0.080 mg/l. The total haloacetic acids (HAA5) level is 0.0057 mg/l with a current running average of 0.012 mg/l. The Primary Maximum Contaminant Level for HAA5 is 0.060 mg/l.

Finance Department:

- The Town Council interviewed 5 candidates for the Town Treasurer position and hired Mrs. Kimberly Coates who comes to us with years of experience in working with various organizations. We are all looking forward to working with Kim.
- Tammy Teague, Accounting / Utility Billing Clerk, resigned her position effective May 25th. The Town hired Carmela Williams for this position. Carmela comes to us with 7 years of experience working in Public Utilities for a county in North Carolina.
- Please stop in to welcome both Kim and Carmela to the Town!
- Also, a big thank you to Paul Skolnick (former Treasurer) for his assistance during this period of transition!

Eastern Shore of Virginia Festivals / Tall Ships Cape Charles:

- The Tall Ships weekend is scheduled for this coming weekend (June 8, 9, and 10) and lots of activities are planned and we are expecting several thousand visitors.
- We have support from the other towns, the County, VDOT and many more organizations.
- ESVA Inc. has done a great job at organizing everything for the weekend and it should be a great weekend for everyone!
- Please help me thank the entire staff for their hard work, above and beyond, in order to show off our great little town to the many visitors.
- Complete information can be found at tallshipscapecharles.com.
- **Volunteers are needed for the June 8, 9, & 10th Tall Ship Weekend. Please email Dave Steward at capt-dave46@yahoo.com.**

Everbridge Alert System:

- The Town will continue to work with the County to set up this capability.
- We encourage all citizens to sign up as this system will be utilized in emergency situations as well as provide other types of notification by the Town and County.
- If you need assistance in signing up, please stop by the CC Memorial Library.
- To sign up for emergency alerts, please visit:
www.co.northampton.va.us/publicsafety/es_home.html.

Cape Charles Multi-Path Trail Project:

- The Town received notification of an award of \$251K towards the project funding of the master trail plan. The upcoming year will be spent on the planning and design work in order to begin construction on Phase 2 – North Peach St. Connection by July 2013. Check out the master plan www.capecharles.org/trail.

Budget FY2013:

- The General Fund has been balanced with a zero real estate tax increase for FY 2012/2013. The Utilities Fund rates will be re-evaluated after completion of the new wastewater treatment plant contract and the demolition of the old plant. We will have a rate increase in the fall of this year but are working to minimize the increase of the wastewater rate.
- The Town Council Public Hearing regarding the FY 2012/2013 Budget will be held on Thursday, June 7th, at 6:00 PM at the Town Hall.
- A Special Edition of the Gazette will be published later in June to provide an outline of the FY 2012/2013 Budget to the citizens.

VDOT:

- Road Work:
 - The Slurry paving is completed and line painting of the streets will begin after Monday.
 - Thank you for your cooperation during this process.
- Highway Signage for Public Beach: Staff is working with VDOT regarding signage along Route 13 to identify the Cape Charles Public Beach.
- The Cape Charles sign at the intersection of Routes 13 and 184 will be relocated soon.
- Landscaping:
 - Work continues to finalize the landscaping permit for the north side of Route 184 at Route 13 coming into Town.
- Golf Cart Crossing on Route 642: Staff is working with VDOT in order to designate a golf cart crossing on Rt 642 at the entrance of Bay Creek.
- A \$1M project is in line to be awarded for the repair/replacement of existing sidewalks in Cape Charles. The work is tentatively scheduled for this fall.

Harbor:

- The Shanty had a soft opening on June 1st to a great turnout. The restaurant looks great and is a work in progress.
- Bath House:
 - The Bath House is open and the transient boaters are expressing their comments and are impressed with the facility.
 - Last week, staff met with the project manager for the Dept. of Health to inspect the Bath House and slips to finalize the project to receive reimbursement from the Boating Infrastructure Grant.
 - The project manager, who has been working with the Town for a number of years, was very impressed with the project. He is recommending the Town Harbor Project for an award which would be presented sometime next year.
- Upcoming Breakwater Project:
 - The Town was encouraged to apply for the upcoming cycle of the Boating Infrastructure Grant for the next phase of the breakwaters. Prior to the installation of the new slips, the grant did not cover such a project, but now that the Town has the investment of the new slips, which was partially funded by the Boating Infrastructure Grant, the breakwater project qualifies as a fundable project. The grant application is due August 1st.
 - A Harbor stakeholder meeting will be scheduled to notify all of the parties of the \$500K grant award from the Virginia Port Authority and to discuss the funding of the remainder of the cost for the next phase of the breakwater project.

- Northampton County, the Town, Bayshore Concrete and other entities are on a committee to work with the Army Corp. of Engineers to research a possible dredging project of the channel to increase its depth in the future.

4th of July Celebration:

- The fireworks display location has been confirmed with Bayshore Concrete.
- Jen Lewis is the lead for organizing all activities related to the celebration and she is working diligently with volunteers regarding the parade and other activities.

Bay Creek Beach Club:

- The plans have been approved and expect a permit to be pulled in the near future.

Newly Elected Councilmen:

- The new Council members will be taking office effective July 1st.
- Ms. Traci Johnson, Northampton County Clerk of the Circuit Court, will be attending the June 14th Town Council meeting to swear in the new Councilmen.
- The Mayor is planning a New Council Orientation for later this month to give the new members an overview of the meeting dates, procedures, etc.
- The new Councilmen will also be attending the Virginia Municipal League Newly Elected Officials Conference in July.

Topics for Upcoming Work Sessions:

- Town Code Modifications:
 - Tourism Zone
 - Boat Trailers
 - Animal Ordinance
- Personnel Policy Review

MUNICIPAL CORPORATION OF CAPE CHARLES
 CASH POSITION
 MAY 31, 2012

<u>Cash on Hand</u>	<u>4/30/2012</u>	<u>5/31/2012</u>
Bank of America Checking	32,636	73,080
Shore Bank	87,937	253,961
Local Government Investment & Restricted Funds	439,535	439,598
Total Cash On Hand	\$ 560,109	\$ 766,639

<u>Restricted Cash Balance</u>	<u>4/30/2012</u>	<u>5/31/2012</u>
LGIP - Rural Development	97,064	97,078
US Bank - VRA Interest Free Loan	257,586	257,589
Total Cash Held in Reserve	\$ 354,650	\$ 354,667

<u>Grant Reimbursements to be Deposited</u>	<u>Grant \$</u>
Harbor Fund	539,000
Wastewater Fund	120,000
Total Pending Grant Reimbursements	\$ 659,000

Tax Collection Comparison as of 5/31 YTD:

<u>Tax Category</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>Difference</u>
Real Estate	1,117,245.14	1,040,785.36	76,459.78
Personal Property	97,936.51	75,266.08	22,670.43
Machinery & Tools	17,090.00	34,819.00	(17,729.00)
License Tax	18,332.31	17,464.77	867.54
Total	\$ 1,250,603.96	\$ 1,168,335.21	\$ 82,268.75

FY 2012 Capital Improvement Project (CIP) Five-Year Projection

General Fund	FY11 approved	FY11 actual	FY12 approved	FY12 actual as of 05/31/12	FY13 proposed	FY14 projected	FY15 projected	FY16 projected	FY17 projected
CBDG Broadband	\$ 512,300	\$ 207,410	\$ 209,703	\$ 254,742	\$ -	\$ -	\$ -	\$ -	\$ -
Cape Charles Multi-Use Trail	\$ 165,000	\$ 351,814	\$ -	\$ 55,486	\$ -	\$ -	\$ -	\$ -	\$ -
Public Works Building	\$ 30,000	\$ 28,293	\$ 24,795	\$ 36,277	\$ -	\$ -	\$ -	\$ -	\$ -
New Library Building	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4WD Gator with Sides	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -
Cape Chas Multi-Use Trail Phase 2	\$ 433,026	\$ -	\$ 96,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Works Pickup	\$ 20,000	\$ 20,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 1,160,326	\$ 607,954	\$ 342,498	\$ 358,504	\$ -	\$ -	\$ -	\$ -	\$ -
Water Fund									
Infrastructure 2 Wells	\$ 280,000	\$ 120,906	\$ 325,000	\$ 13,750	\$ -	\$ -	\$ -	\$ -	\$ -
Water Production Expansion	\$ 20,000	\$ 25,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project Consultant/Management	\$ 4,613	\$ 3,060	\$ 3,339	\$ 2,364	\$ -	\$ -	\$ -	\$ -	\$ -
Control Panel	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Generator Water Plant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 304,613	\$ 149,149	\$ 448,339	\$ 16,114	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Fund									
Wastewater Generator Replacement	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inflow & Infiltration Project	\$ 1,200,000	\$ 779,889	\$ 325,000	\$ 722,664	\$ -	\$ -	\$ -	\$ -	\$ -
WWTP Plant Construction (1)	\$ 13,041,519	\$ 9,721,278	\$ 6,100,000	\$ 3,441,434	\$ -	\$ -	\$ -	\$ -	\$ -
Project Consultant/Management	\$ 41,519	\$ 36,081	\$ 30,049	\$ 22,144	\$ -	\$ -	\$ -	\$ -	\$ -
New Generator Mason Ave	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 14,328,038	\$ 10,582,248	\$ 6,490,049	\$ 4,186,241	\$ -	\$ -	\$ -	\$ -	\$ -
<i>(W&S combined) (10)</i>	\$ 14,632,651	\$ 10,731,397	\$ 6,938,588	\$ 4,202,356	\$ -	\$ -	\$ -	\$ -	\$ -
Harbor Fund									
Offshore Breakwater Phase 1	\$ -	\$ 122,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marina Inshore Floating Slips	\$ 1,643,977	\$ 1,540,370	\$ -	\$ 75,378	\$ -	\$ -	\$ -	\$ -	\$ -
Surveillance Cameras	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bathhouses	\$ -	\$ -	\$ 343,977	\$ 342,123	\$ -	\$ -	\$ -	\$ -	\$ -
Site Work *	\$ -	\$ -	\$ -	\$ 22,336	\$ -	\$ -	\$ -	\$ -	\$ -
Walkways West Dock *	\$ -	\$ -	\$ 20,000	\$ 61,056	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ 1,648,977	\$ 1,662,855	\$ 363,977	\$ 500,894	\$ -	\$ -	\$ -	\$ -	\$ -
<i>* Site Work and Walkways are funded by VPA grant</i>									
TOTAL	\$ 17,441,954	\$ 13,002,206	\$ 7,644,863	\$ 5,061,754	\$ -	\$ -	\$ -	\$ -	\$ -

Recreation Department June 2012 Council Report

Events:

1. It has been a very busy time getting ready for Tall Ships Cape Charles.
2. Jen has also been working on plans for the 4th of July. Much time has been spent in the office for the last month planning and prepping for both events.
3. All schools will be out of session the week of June 11 and the Town summer events will begin.
 - a. Tuesdays will be Arts and Crafts
 - b. Wednesdays are Movie Nights
 - c. Thursdays are Storytime.
4. The New Roots Summer Garden Program will take place on Tuesdays and Thursdays.
5. It is a very exciting time in the Town of Cape Charles.

Cape Charles Memorial Library

May 2012

Monthly Report Presented by Ann Rutledge

1. **Toddler/Preschool Storytime** was held on Thursday at 10:30 and a total of 32 children and caregivers attended this month. A total of 44 children attended the **Arts and Crafts** programs held on Wednesday at 4:00.
2. The displays for the month of **May featured** books for children on spring and a display for adults featuring books on buying local and organic gardening.
3. On Tuesday, May 22 at 7:00 the Board of Trustees of the Eastern Shore Public Library and the Directors of the Eastern Shore Public Library Foundation hosted a regional meeting at the Cape Charles Library to explore the possibility of building a new Main Library in Onley. Library architect David Moore of Greenville, S.C. led the session with input from the community as to the future library needs. Light refreshments were served and it was a very informative meeting.
4. On Wednesday, June 13 the **Cape Charles Memorial Library 2012 Summer Reading Program Dream Big-Read** will begin. Attached is a schedule of events for both the Library and Parks & Recreation. Our summer programs will feature free movies, crafts, storytimes, magicians, a mime, live animals, bedtime stories, and fun days in the park. For more information call the library at 331-1300.
5. For additional information about library programs and library related information check out the Cape Charles Memorial Library's **Facebook** page!

Cape Charles Memorial Library & Recreation Dept.

Kids Movie Nights Every Wednesday at 5:00 p.m.

Summer 2012!



June 13	Scooby-Doo! Pirate Ahoy!	71 minutes
June 20	The Muppets	98 minutes
June 27	Puss in Boots	90 minutes
July 4	No movie this week – 4 th of July holiday	
July 11	Happy Feet 2	100 minutes
July 18	Cars 2	113 minutes
July 25	The Smurfs	103 minutes
August 1	Kung Fu Panda	90 minutes
August 8	Treasure Buddies	92 minutes
August 15	The Lorax	86 minutes

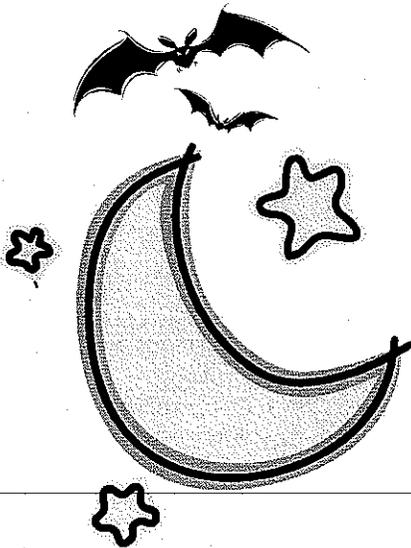


Movies * for ages 12 and under. Children 5 and under must be accompanied by an adult.

DREAM BIG - READ!

Sign up for the Summer Reading Program beginning June 14th and pick up a reading log. Every time you read 4 books you get to pick a prize from the pig. After you read 12 books you will receive a FREE book. At the end of the summer all participants receive a certificate. All programs to take place in the library.

Weekly Storytimes & Special Programs



June 14	10:30 am	Moon
June 21	10:30 am	Lullabies
June 25	2:00 pm	Magician Rob Westcott*
June 28	10:30 am	Bats
June 28	7:00 pm	Bed Time Stories
July 5	10:30 am	Nighttime
July 12	10:30 am	Get Ready For Bed
July 18	10:30 am	Comedy Mime & Magic - Chris Yarlig*
July 19	10:30 am	Dreams
July 25	1:30 pm 2:30 pm	Mother Natures Traveling Roadshow – program is 40 minutes in length *
July 26	10:30 am	Dream Big
July 26	7:00 pm	Bed Time Stories
August 1	11:00 am	Magician Mike Klee*
August 2	10:30 am	Creatures of the Night
August 7	10:30 am	Dreamcatchers with Jean Flynn
August 9	10:30 am	I Dreamed a Garden
August 16	10:30 am	Stars
August 16	7:00 pm	Bed Time Stories



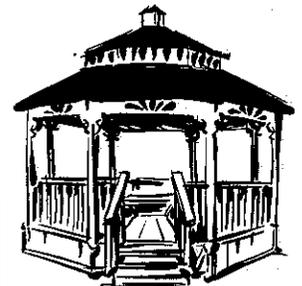
Arts and Crafts

Join Jen Lewis of the Cape Charles Recreation Department every Tuesday at 10:30 a.m. (New Day!) Crafts held in the Children's Section of the Cape Charles Memorial Library. Open to all ages!

Fun Days in the Park

June 20 – Nature Walk	9:00 a.m.
June 27 – Field Day	9:00 a.m.
July 11 – Tie Dye	9:00 a.m.
August 8 – Flowers	9:00 a.m.

All events meet at the Gazebo in Central Park and last approx. 2 hours. All events require registration and a fee of \$3 per child.



Like us on FACEBOOK – Cape Charles Memorial Library. Find out what's new at the library and keep up with all summer activities – more to come . . . Any questions, please call the library at 331-1300.

* program sponsored by the Friends of the Cape Charles Memorial Library; movies in-part Town of CC Rec Dept and CCML

Harbor Report

May, 2012.

Maintenance

1. Began Replacing Wood on Office

Upcoming, Scheduled Maintenance

1. none

Capital Projects:

1. Infiltration Trench Complete,
2. Parking lot, 85% Shells are laid just need to lay out parking bumpers.
3. Boardwalk Complete
4. Bath House Complete with the exception of a couple of small things that will be taken care of.
5. Restaurant is open as of June 2,

Other:

1. Summer Season Hours have began, 8 to 7
2. Follow us on Face Book (**Cape Charles Town Harbor**)

Incidents: None

Notes:

Visit the Tall Ship "God Speed" Arrival June 6, Departure June 7,

Tall Ships Cape Charles - Visit Tall Ships at the harbor in June 8 - 12.

Visit the Tall Ship "Kalmar Nyckel" – Arrival June 14th – 19th. For Day Sails visit their Web Site; www.kalmarnyckel.org

Inaugural Cape Charles Clam Slam – The first weekend of August – More Details to Come.

Visit the Tall Ship "Mystic Whaler" – Arrival October 15, 2012 @ 3pm and will be open to the public soon after.

Harbor Report

May, 2012.

Business:

Average docking per day/night by category:

<u>Rentals</u>	<u>May</u>	<u>April</u>	<u>11/12</u>	<u>10/11</u>
1. Nightly:	6.5	0.6	2.5	1.6
2. Weekly:	15.9	15.7	7.0	7.0
3. Month/Quart:	11.5	11.0	3.8	8.1
4. Seasonal:	15.0	0.0	7.1	7.1
5. Annual:	41.0	49.0	46.3	32.8
6. Total Rentals,	89.9	76.3	66.7	57.8

Wharf Fees by Pounds:

	<u>May</u>	<u>April</u>	<u>11/12</u>	<u>10/11</u>
1. Crabs:	351,270	134,055	1,186,155	1,419,795
2. Fish:	2,800	0	264,424	534,616
3. Conchs:	1,620	13,130	71,235	90,317.5
4. Horse Shoes:	0	0	5,296	7,960
5. Gravel:	0	0	0	1,000,000
6. Clams	0	0	0	18,000
7. Oysters	0	0	0	12,000
8. Conch Pots	0	0	0	14,000
9. Crab Pots	0	0	0	121,920
10. Lg. Trap Piles	0	0	0	0
11. Sm. Trap Piles	0	0	0	21,280
12. Total Pounds:	355,690	147,185	1,527,110	3,239,888.5

<u>Waiting List:</u>	<u>4/30</u>	<u>Registered</u>	<u>Removed</u>	<u>5/31</u>
1. 60ft Slips:	2	0	0	2
2. 50ft Slips:	2	0	0	2
3. 45ft Slips:	12	0	3	9
4. 36ft Slips:	6	0	0	6
5. 30ft Slips:	19	0	0	19
6. 24ft Slips:	21	0	0	21
7. 20ft Slips:	10	0	0	10
Total	72	0	0	69

William Smith Dize Jr.
 Harbor Master
 May 1, 2012

PUBLIC WORKS

May 2012

Dump Fees

- **Oyster Landfill:** 15 trips, \$534.87; 8 Tons
- **Sludge-** Tons

Staff Report

Completed Projects

- Sprayed for weeds
- Groomed beach
- Memorial Day Weekend
- New signs for the Beach regs.
- Park Water Fountain repairs.
- Repairs to tennis courts
- Edged Bay Ave Median
- MS Bike Race
- Repairs to Library Break Room & Bathroom
- Repairs to Golf Cart Path on Old CC Road.

In Progress

- Working with FEMA and our Virginia Municipal League Insurance agent for funds to repair the old school and the Pine Street Pump Station earthquake damage. Awaiting the insurance company's contractor's estimate. No Change for May.

Upcoming Projects

- Repairs to old school and Pine Street Pump Station.
- Install shade cover at play ground

PUBLIC UTILITIES

May 2012

Work Orders Completed

- Miss Utility Tickets: 15

Completed Projects

- Steel tanks have been removed from old WWTP.
- Moved lab to new plant

New WWTP

- 60 day commissioning period has begun. During this time the plant is turned over to Town personnel to begin running the plant.

In Progress

- Collecting flow data looking for sources of inflow and infiltration in the Plum Street Pump Station Basin sewer mains.
- Engineering for connection to Keck Wells. Draft Preliminary Engineering Report (PER) has been submitted to the Department of Health office of Drinking Water.
- Decommissioning old WWTP.
 - Drying polishing pond
 - Removing all equipment and materials from site
- Contractor selected for Closed Circuit TV inspection of the sewer mains, pending council approval.
- Addressing items found during smoke test of sewage system.
- Replacing old water meters.
- Painting interior of Washington Street Pump Station.

Upcoming Projects

- Connection to Keck Wells out to bid (Fall 2012).
- Closed circuit TV inspection of sewer lines.
- Install new water plant controls.
- Concrete demolition of the old wastewater treatment plant.

Code Enforcement

Month of May FY 2012

Building Permits Issued/Permit Fees Collected:

Permits this month: 23	
Permits this year: 201	Total permits last year: 200
Total construction this month: \$ 80,300	
Total construction this year: \$4,597,192	Total construction last fiscal year: \$3,967,519
Permit fees this month: \$1,713.60	
Total permit fees this fiscal year: \$35,706.11	Total permit fees last fiscal year: \$63,902.48*
Bay Creek Water/Sewer Tap fees: \$0	*The # above includes connection fees
The Colony/Sewer Water Tap fees: \$0	
Marina Village/Marina Village East Sewer/Water Tap fees: \$0	
Bayside Village Sewer/Water Tap fees: \$0	
Old-Town Water/Sewer Tap fees: \$0	
Total Tap fees this year: \$52,350	Total Tap fees last fiscal year: \$20,000
Fire Dept. levy this month: \$153.00	
Total Fire Dept. levies this year: \$3,086.28	Total Fire Dept. levies last fiscal year: \$3,282.54
State levy this month: \$30.60	
Total state levies this year: \$616.27	Total state levies last fiscal year: \$664.67
Miscellaneous Revenue: \$50 for Temporary Certificate of Occupancy for 33 Marina Road	
\$100 for Rental Inspections	

Existing Structures Code Enforcement Cases:

Total Cases: 26	
New this month: 0	
Closed this month: 0	
Rental Inspections: 0	
Rental C.O's Issued: 0	
Rental Inspection fees collected: \$0	
Grass cutting enforcement: 0	
Grass cutting: 0	
Enforcement fees charged this month: \$0	
Enforcement fees charged this year: \$10,659.56	Fees charged last fiscal year: \$7,351.98
Enforcement fees collected: \$1,145.84	
Enforcement fees collected this year: \$4,954.78	Fees collected last fiscal year: \$2,768.58

Annual Fire Inspections (updated) (Completed)

Total Cases: 92
Inspections conducted: 0
Closed this month: 0
Closed altogether: 92
Cases unresolved: 0

Annual Fire Reports (updated) (Completed)

Total Cases: 59
Received this month: 0
Closed: 59
Unresolved: 0

Month of May FY12

Central Park Trail (T-21 Grant) (updated)

Hours spent working on project this month:4

Key Notes: Irrigation System is back in operation after some problems with the system were found.

Other items of note:

1. Completed 78 inspections
2. Conducted 0 zoning clearances
3. Completed 3 courtesy residential inspections
4. Conducted 2 courtesy commercial inspection
5. Conducted 28 E & S control inspections
6. Conducted 0 commercial plan reviews for Erosion and Sedimentation Control.
7. Completed 0 residential plan reviews
8. Issued 0 Public Utilities Shallow Well permits
9. Made site inspections throughout the month on the New Waste Water Treatment Plant Project.
10. Code Enforcement case on Randolph Avenue has a new contractor and windows are installed. Waiting for contractor to start on siding. Should be starting within the next two weeks.
11. Code Enforcement case on Plum Street has been turned over to attorney. Attorney sent out a 14 day letter stating that the owner(s) comply with all prior directives or that the issues would proceed to court. Update: Town has denied request for use of CDBG funding and the case will be pursued through attorney.
12. Continued inspections on the Harbor Bath House.
13. Continued inspections on the Harbor Restaurant.
14. Continued inspections on Storm water measures for West Dock improvements.
15. A 2nd temporary Certificate of Occupancy has been issued for the operations building at the new Waste Water Treatment Plant. This is good for thirty days and will expire near the end of May.
16. Plans have been approved for the Bayside Village Beach Club. Construction is expected to start soon.

Permit/Construction Fee Report May-12

Address	Type	Permit #	Date	Work Description	Permit Fee	Value
1100 Bayshore Road	Demolition	PD120001	5/21/2012	Removing Steel Tanks	\$0.00	\$100
29 Kings Bay Drive	Plumbing	PP120010	5/16/2012	Permit to finish plumbing for C.O.	\$56.00	\$2,500
29 Kings Bay Drive	Electrical	PE120015	5/16/2012	Permit to finish electrical for C.O.	\$56.00	\$2,500
33 Marina Road	Mechanical	PM120010	5/16/2012	Commercial Range Hood System	\$156.80	\$9,000
33 Marina Road	Fire Supp.	PF120001	5/29/2012	Ansul System for Commercial Hood	\$100.80	\$4,000
203 Mason Avenue	Electrical	PE120013	5/3/2012	Adding 2 new circuits	\$84.00	\$1,200
203 Mason Avenue	Building	PB120033	5/3/2012	Building Closet for storage	\$84.00	\$1,800
237 Mason Avenue	Plumbing	PP120009	5/15/2012	New Plumbing for laundry area	\$84.00	\$2,500
237 Mason Avenue	Gas	PG120005	5/15/2012	Gas piping for commercial dryer	\$84.00	\$2,500
237 Mason Avenue	Electrical	PE120014	5/15/2012	New Electrical for laundry area	\$84.00	\$2,500
237 Mason Avenue	Building	PB120036	5/15/2012	Commercial Alteration	\$84.00	\$2,500
329 Mason Avenue	Building	PB120038	5/25/2012	Tear off/reroof front portion of building	\$100.80	\$4,000
521 Mason Avenue	Electrical	PE120018	5/24/2012	New 200 amp service and new wiring	\$67.20	\$4,500
645 Mason Avenue	Building	PB120035	5/11/2012	Finish work to obtain C.O.	\$56.00	\$2,500
627 Monroe Avenue	Building	PB120037	5/18/2012	Tear off/reroof rear room roof	\$58.80	\$3,000
217 Peach Street	Building	PB120031	5/1/2012	Adding front and side porch	\$176.40	\$16,500
506 Randolph Avenue	Electrical	PE120016	5/16/2012	New circuit for water heater	\$56.00	\$300
530 Randolph Avenue	Building	PB120034	5/8/2012	Finish Interior Demo	\$75.60	\$6,000
113 Tazewell Avenue	Plumbing	PP120012	5/21/2012	New on-site water and sewer line	\$56.00	\$1,800
221 Tazewell Avenue	Building	PB120032	5/3/2012	New Rear deck	\$81.20	\$7,000
221 Tazewell Avenue	Electrical	PE120017	5/24/2012	Installing new outside circuit	\$56.00	\$600
403 Tazewell Avenue	Building	PB120030	5/1/2012	Laundry/Bathroom Remodel	\$56.00	\$2,500
500 Tazewell Avenue	Plumbing	PP120011	5/16/2012	Relocating sink	\$0.00	\$500

Totals

\$1,713.60 \$80,300

Revenue Totals by Category/Items

From: 05/01/2012 to: 05/31/2012

Miscellaneous		
Fire Dept Fec	21	\$153.00
Miscellaneous totals	21	\$153.00
Residential		
Valuation Res \$2.5K - \$10K	1	\$60.00
Residential totals	1	\$60.00
State Tax		
STATE TAX.	21	\$30.60
State Tax totals	21	\$30.60
Valuation		
Com \$0 - \$2.5K	4	\$300.00
com \$2.5 -10k	1	\$90.00
Valuation Com 2.5K >	1	\$90.00
Valuation Com \$0-\$2.5K	2	\$150.00
Valuation Com \$2.5-10K	1	\$140.00
Valuation Res \$0 - \$2.5K	2	\$100.00
Valuation Res \$0-\$2.5K	5	\$250.00
Valuation Res \$2.5K - 10K	3	\$192.50
Valuation Res > \$10K	1	\$157.50
Valuation totals	20	\$1,470.00
Grand Totals	63	\$1,713.60

MONTHLY INSPECTION TOTALS

Jeb Brady

Final	05/01/2012
Final	05/02/2012
Final	05/02/2012
Final	05/02/2012
Sheathing	05/02/2012
Final	05/02/2012
Final	05/03/2012
Final	05/03/2012
Final	05/03/2012
Final (Walkthroug	05/03/2012
Footing	05/03/2012
Sheathing	05/03/2012
Final	05/04/2012
Sheathing	05/04/2012
Sheathing	05/05/2012
Final	05/07/2012
Final	05/07/2012
Insulation	05/07/2012
Rough-In	05/07/2012
Framing	05/07/2012
Rough-In	05/08/2012
Framing	05/08/2012
Framing	05/08/2012
Sheathing	05/08/2012
S/W FINAL	05/08/2012
Footing	05/11/2012

Total 34

Mike Mullner

Sheathing	05/14/2012
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Total 1

MONTHLY INSPECTION TOTALS

Jeb Brady

Final	05/15/2012
Framing	05/15/2012
Final	05/15/2012
Rough-In	05/16/2012
Framing	05/17/2012
Pressure/R.I.	05/21/2012
SEWER & WATE	05/21/2012
COURTESY	05/22/2012
Final	05/23/2012
Final	05/24/2012
Pressure/R.I.	05/24/2012
Final	05/24/2012
Final	05/25/2012
Final	05/25/2012
Final	05/25/2012
S/W FINAL	05/25/2012
Final	05/25/2012
Final	05/25/2012
Final	05/29/2012
Blow off	05/30/2012
Final	05/31/2012
Final	05/31/2012
Final	05/31/2012

MONTHLY INSPECTION TOTALS

Final 05/31/2012
Final 05/31/2012
Final 05/31/2012
Final 05/31/2012
Final 05/31/2012

Total 43

Grand Total 78

InsDateCompleted Range from
05/01/2012 to 05/31/2012

Planning Commission Report for Town Council

From: Tom Bonadeo
To: Town Council
Date: June 14, 2012
Subject: Report for Planning Department

Planning Commission Meeting – June 5

1. The Planning Commission held its regular monthly meeting Tuesday, June 5.
2. The Commissioners tabled the rezoning and CUP request to further study the requirements.
3. The Commission worked on the continued improvement of the sign ordinance.
4. The Harbor District review was also delayed until the July meeting.
5. The Planner is working on:
 - a. The Design-Build Project for the Harbor Bathhouse. This project has been completed and the CO issued.
 - b. Zoning compliance reviews and enforcements.
 - i. New fences
 - ii. Accessory buildings
 - iii. Home purchases and historic guidelines
 - iv. Political Sign compliance has been exceptionally poor this election. Size and location have both been problematic.
 - c. Beach work is completed for the spring. Sand was moved and added to the beach. The walkways at Tazewell and Randolph have been dug out of the moving dune and the sand redistributed along the beach. Fence has been installed to control people from walking in the dune.
 - d. Plans for Route 184 and Route 13 landscaping with VDOT have been completed on the south side. Watering has been required to keep the trees and plants alive this spring.
 - e. The restaurant building at the Harbor has been completed and the CO has been issued. The Shanty is open for business and the Tall Ships weekend will be a real test.
 - f. The parking area for the harbor has been covered with shells. The parking layout will allow for about 52 spaces. This is just enough for the restaurant, the permanent slip holders and the concession for the Jet Ski rentals that has moved to A dock from the inner harbor. The final parking spaces will be laid out after the Tall Ships weekend.
 - g. The Bank of America building bid date is June 8, 2012. It will be interesting to see what happens. Since it is a sealed bid process there won't be advertised numbers.

Historic District Review Board Meeting – Met May 15

The Review Board heard one request. The request was for a renovation to 602/604 Tazewell. The project was proposed in installments but the board required the porch be done in the first phase and the porch cover 80% of the front.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Cape Charles Police Department		AGENDA DATE June 14, 2012
	SUBJECT/PROPOSAL/REQUEST: MAY 2012 Monthly Law Enforcement Statistic		ITEM NUMBER
	ATTACHMENTS: None		FOR COUNCIL: Action () Information (X)
	STAFF CONTACT (s): Charles Brown Chief of Police	REVIEWED BY: Heather Arcos Town Manager	

The following information is the monthly statistics regarding law enforcement activities for the Cape Charles Police Department.

Calls for Service in Cape Charles: 41

Calls for Service Outside of Cape Charles: 18

10-13 Calls

(A) By Dispatch: 59

(B) By Phone via Officer/Trooper: 00

(C) In Person 00

Felony Arrests: 06

Misdemeanor Arrests: 12

DUI Arrests:

Traffic Summons Issued: 10

Traffic Warnings Issued: 05

Parking Tickets Issued: 02

Assisted Northampton County Sheriff's Office: 18

Assisted Virginia State Police: 00

Assisted Other Local Police: 00

Assisted Other Federal Agencies 00

Assisted Fire & Rescue:

Assisted VDOT:

Hours of Training Received & What Type? NONE



TOWN OF
CAPE CHARLES

AGENDA TITLE: Sale of Former School

AGENDA DATE:
June 14, 2012

SUBJECT/PROPOSAL/REQUEST: Adopt ordinance to finalize the sale of the former Cape Charles School.

ITEM NUMBER:
7A

ATTACHMENTS: Proposed Ordinance 20120614

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Bob Panek

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

Echelon Resources, Inc., submitted an unsolicited proposal for the purchase, historic rehabilitation and redevelopment of the former Cape Charles School property at the southwest corner of Madison Avenue and Plum Street. The Code of Virginia (Sec. 15.2-1800) authorizes localities to sell, at public or private sale, its real property. The Code requires a public hearing be held prior to such disposal of real property.

A public hearing was held on February 9, 2012. Council adopted Ordinance 20120209 authorizing the sale of the property to Echelon Resources, Inc., subject to negotiation of an agreement acceptable to Council. The details of the purchase have been negotiated and the proposed contract has been provided to Council. A summary of the primary terms of the contract follows:

1. Sale price of \$10.
2. To be converted to seventeen one bedroom and efficiency rental units; no public space.
3. Appropriate zoning clearance by Town.
4. Property to be subdivided by Town.
5. ALTA survey and title insurance policy by Echelon.
6. Water and sewer connection charges reduced by 50%.
7. Insurance proceeds for repair of earthquake damage paid to Echelon.
8. Six month property review period by Echelon prior to closing.
9. Construction to commence within 90 days of closing.
10. Construction to complete within 12 months.

Council adopted Resolution 20120510 to set a public hearing for the sale of the property per the terms of the proposed contract.

DISCUSSION:

The public hearing has been duly advertised and was held this evening. The Code of Virginia (Sec. 15.2-2100) requires the sale of real property to be made pursuant to an ordinance passed by a recorded affirmative vote of three-fourths of all the members elected to Council.

RECOMMENDATION:

Staff calls for a roll call vote on proposed Ordinance 20120614 to finalize the sale.

**ORDINANCE 20120614
SALE OF FORMER SCHOOL**

WHEREAS, Echelon Resources, Inc., submitted an unsolicited proposal for the purchase of the property located at the intersection of Plum Street and Madison Avenue, being a portion of Tax Parcel 083A3-(01)-00-281 and commonly known as the former Cape Charles School (the "Property") for the purpose of historic rehabilitation and redevelopment of the Property into approximately sixteen or seventeen rental residences; and

WHEREAS, a public hearing was held on February 9, 2012 as required by the Code of Virginia, Section 15.2-1800; and

WHEREAS, the Town Council of Cape Charles adopted Ordinance 20120209, specifying that upon conclusion of an agreement acceptable to the Council, the Mayor be authorized to execute the sale of the Property to Echelon Resources, Inc., and that the Property be transferred to a project-specific development entity affiliated with Echelon Resources, Inc.; and

WHEREAS, a sale and purchase contract has been negotiated and is acceptable to Echelon Resources, Inc., for redevelopment of the Property into seventeen rental residences with no public-use space; and

WHEREAS, the terms of the contract have been reviewed by Council and are considered acceptable, and a copy of the contract is attached hereto; and

WHEREAS, an additional public hearing was held on June 14, 2012 to finalize the sale; and

WHEREAS, the contract specifies a fifty percent (50%) reduction of the applicable water and sewer connection charges in recognition that the building is already connected to the systems; and

WHEREAS, in reaching the decision to sell the Property on the terms set forth in the attached contract, the Town Council of Cape Charles has considered a number of factors, including among others the poor condition of the existing structure, the ongoing maintenance and insurance costs, the significant cost of rehabilitation given the building's age and condition, the investment to be made by Echelon Resources, Inc. in rehabilitating and improving the Property, and the future tax revenue that will be generated when the Property is transferred to a private entity; now

THEREFORE BE IT ORDAINED by the Town Council of Cape Charles this 14th day of June, 2012 that:

1. The water and sewer connection charges for residences having fewer than two bedrooms, as specified in Sections 70-35 and 71-42 of the Code of the Town of Cape Charles, be reduced by fifty percent, and be paid by Echelon Resources, Inc., or the project-specific development entity, before issuance of a Certificate of Occupancy.

2. The Mayor be authorized to execute the sale of the Property to Echelon Resources, Inc. substantially in accordance with the terms of the attached sale and purchase contract.

3. The staff of the Town of Cape Charles be authorized to execute such documents and take such actions as are necessary or proper to complete the sale of the Property substantially in accordance with the foregoing terms.

Adopted by the Town Council of Cape Charles on June 14, 2012

By: _____
Mayor

ATTEST:

Town Clerk

SALE AND PURCHASE CONTRACT

THIS SALE AND PURCHASE CONTRACT ("Contract") is made as of the Effective Date (as defined in Section 19(I) below), by and between **THE MUNICIPAL CORPORATION OF CAPE CHARLES, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Seller"), and **ECHELON RESOURCES, INC.**, a Virginia corporation ("Purchaser").

WITNESSETH:

For and in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Property. Subject to the terms and conditions hereof, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the following described property:

A. That certain tract or parcel of land located at the intersection of Plum Street and Madison Avenue in the Town of Cape Charles, Virginia being a portion of Tax Parcel 083A3-(01)-00-281 and commonly known as the old Cape Charles School, as more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein, together with the school building and other improvements located thereon owned by Seller (the "Improvements") (said tract of land and Improvements being hereinafter collectively referred to as the "Real Property"); and

B. The equipment, furniture, furnishings, and other personal property and fixtures located on or attached to the Real Property and which are owned by Seller, as more particularly described on Exhibit "B" attached hereto and by this reference incorporated herein (the "Personal Property").

The Real Property and Personal Property are hereinafter collectively referred to as the "Property".

2. Purchase Price. The purchase price to be paid by Purchaser to Seller for the Property is Ten and 00/100 Dollars (\$10.00) (the "Purchase Price"). An amount equal to the Purchase Price (the "Deposit") shall be deposited by Purchaser with the Seller within three (3) days after the Effective Date.

3. Review Period; Inspection.

A. Subject to the requirements of this Section, during the period commencing on the Effective Date and terminating one hundred eighty (180) days thereafter (the "Review Period"),

Purchaser, its agents, employees, representatives and contractors, at Purchaser's sole cost and expense, may perform such tests, inspections and examinations of the Real Property and Personal Property as Purchaser deems advisable, including without limitation investigations with regard to title, physical condition, environmental matters, matters of survey, flood plain, utilities availability, zoning and building code and other applicable governmental requirements, and development requirements. Notwithstanding the foregoing, prior to entry on the Property by Purchaser or its agents, employees, or contractors, Purchaser shall provide evidence of liability insurance naming Seller as an additional insured in amounts and with coverages, if applicable, as follows:

1. Commercial General Liability - \$1,000,000 each occurrence, \$2,000,000 aggregate.
2. Automobile Liability - \$1,000,000 combined single limit.
3. Workers Compensation - Statutory limit.

Purchaser shall obtain Seller's written consent before conducting invasive or destructive testing or soil sampling. Purchaser shall not damage or alter the Property while conducting its inspections, tests and studies. Purchaser shall indemnify, defend and hold Seller harmless from and against all costs, losses, damages and expenses, including without limitation reasonable attorneys' fees, arising out of Purchaser's or its agent's or contractor's presence on the Real Property or acts or omissions in conducting the activities upon the Real Property pursuant to the terms of this subsection. Notwithstanding anything to the contrary in this Contract, Purchaser's indemnification, defense, and hold harmless obligations set forth in this subsection shall survive Closing and/or the termination of this Contract.

B. Within five (5) days after the Effective Date, Seller shall forward to Purchaser copies of the following items, to the extent they exist and are in Seller's possession in Seller's regular operating files: (i) the title commitment or policy for the Real Property, (ii) surveys and plats of the Real Property, (iii) environmental reports, and (iv) physical inspection reports.

C. Purchaser shall order, at its cost and expense, a title commitment for the issuance of an ALTA owners policy of title insurance (the "Title Commitment") insuring the Real Property. Purchaser may order, at its cost and expense, an ALTA survey of the Property (the "Survey"). Purchaser shall, on or before the date that is thirty (30) days after the Review Period, furnish a copy thereof to Seller, together with a statement as to which exceptions shown therein are unacceptable to Purchaser ("Purchaser's Objection Notice") and all matters in the Title Commitment and Survey to which Purchaser does not object in writing, and all matters that would be shown on an ALTA survey of the Property if Purchaser does not order the Survey, shall be "Permitted Exceptions." Seller may, within ten (10) days after Purchaser's Objection Notice, give notice to Purchaser ("Seller's Response Notice") stating those matters in Purchaser's Objection Notice that Seller is willing to cure at or before Closing. Failure by Seller to give Seller's Response Notice shall be deemed an election by Seller not to cure any matters in Purchaser's Objection Notice. Within five (5) days after Seller's Response Notice, Purchaser shall elect to either (a) proceed to Closing, with all matters in Purchaser's Objection Notice that Seller does not expressly agree to cure in Seller's

Response Notice being added to and deemed part of the Permitted Exceptions, or (b) terminate this Contract, in which event the Deposit shall be retained by Purchaser, and neither party shall have any further liability or obligations to the other hereunder except for those that survive the termination of this Contract. Failure by Purchaser to respond within such time shall be deemed an election by Purchaser to proceed under option (a).

D. Purchaser shall have the right during the Review Period to determine that it is satisfied, in its sole and absolute discretion, with the results of any of the tests, inspections or investigations relating to the Property or the operation thereof, and that the Property is suitable in all respects for Purchaser's intended purposes or needs. Purchaser shall provide reasonably detailed status reports in writing to Seller every thirty (30) days during the period prior to Closing. Such reports shall describe Purchaser's due diligence inspections and results as well as Purchaser's efforts to obtain financing. In the event Purchaser does not, on or before the expiration of the Review Period, notify Seller in writing of Purchaser's termination of this Contract, Purchaser shall be deemed to have waived such right to terminate and all objections to the Property (but subject to the Closing Conditions), and this Contract shall remain in full force and effect without requirement of further action on the part of Purchaser or Seller.

E. If this Contract is terminated prior to Closing, or if the transaction contemplated by this Contract is otherwise not consummated, Purchaser shall return to Seller all of Seller's Information (including all copies, notes, and versions thereof) within five (5) days after termination of this Contract or within five (5) days after a request from Seller, as the case may be.

4. Disclaimer and Indemnification.

A. Purchaser acknowledges and agrees to the following:

1. **PURCHASER ACCEPTS THAT THE PROPERTY WILL CONVEY IN "AS IS, WHERE IS" CONDITION WITH ALL FAULTS, AND THAT SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO THE PROPERTY OR ANY PORTION, ASPECT, OR COMPONENT THEREOF, AND EXPRESSLY DISCLAIMS THE SAME. LIKEWISE, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO ANY DOCUMENTS, REPORTS, OR MATERIALS PROVIDED OR MADE AVAILABLE TO PURCHASER BY SELLER OR ITS AGENTS, OR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN, AND EXPRESSLY DISCLAIMS THE SAME. THE FOREGOING DISCLAIMERS INCLUDE, BUT ARE NOT LIMITED TO, MATTERS OF TITLE, SURVEY, FINANCIAL PERFORMANCE, PHYSICAL**

CONDITION (INCLUDING WITHOUT LIMITATION ENVIRONMENTAL CONDITION OR PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES), ZONING, TAX STATUS OR CONSEQUENCES, FITNESS FOR A PARTICULAR PURPOSE OR USE, COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS, ACCESS TO THE PROPERTY, AND AVAILABILITY OF UTILITIES.

2. From and after Closing, Purchaser releases and forever discharges Seller and Seller's officials, employees, and agents from all claims, actions, suits, damages, judgments, losses, costs, and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the Property.

3. From and after Closing, Purchaser shall indemnify Seller for and shall indemnify, defend and hold Seller and Seller's officials, employees, and agents harmless from and against all claims, actions, suits, damages, judgments, losses, costs, and expenses (including without limitation reasonable attorneys' fees) arising out of or relating to the Property or the Purchaser's or its agent's or independent contractor's acts or omissions.

The representations, covenants, and obligations set forth in this Section 4 shall survive Closing and/or the termination of this Contract.

5. Purchaser's Representations. Purchaser represents to Seller as follows, which representations shall be deemed remade at and as of Closing and which shall survive Closing and/or termination of this Contract:

A. Purchaser is a duly organized and validly existing corporation in good standing under the laws of Virginia, and has all requisite power and authority for the making of this Contract.

B. The execution and delivery of this Contract, compliance with provisions hereof, and the consummation of the transaction contemplated hereby, will not result in any breach or violation of, or constitute a default under, the organizational documents of Purchaser or any agreement, contract or other instrument to which Purchaser is a party, or by which Purchaser is bound.

C. The individual(s) signing on behalf of Purchaser have all necessary authority to bind Purchaser to this Contract, and no additional approvals and/or signatures are required to make this Contract fully binding on Purchaser in all respects.

D. Purchaser and its principals are experienced in the purchase, sale, financing, and management of commercial real estate, and are fully capable of evaluating the risks and benefits of undertaking the transaction contemplated by this Contract. Purchaser has voluntarily entered into

this Contract and the transaction contemplated hereunder without relying in any manner on any representations, statements, opinions, or actions of Seller or any person or entity purporting to be acting on behalf of Seller. Purchaser has had full opportunity to investigate the Property and has obtained all information necessary for Purchaser to make an informed decision with respect to the transaction contemplated by this Contract.

6. Conditions to Closing. Prior to the expiration of the Review Period, Purchaser shall notify Seller in writing of Purchaser's completion or waiver of its inspection under Section 3 above. If Purchaser fails to timely send such notice, Seller may, at its option, terminate this Contract. Within the first sixty (60) days of the Review Period, Seller shall cause the following to be completed (the "Closing Conditions"):

A. Seller shall cause the Property to be rezoned to allow for multifamily residential use.

B. Seller shall subdivide the Property from Seller's remaining property pursuant to a subdivision plat that is acceptable to Seller and Purchaser.

C. Seller shall use good faith efforts to obtain all approvals, votes, and ordinances that are required under applicable law for the sale of municipal property, including those set forth in Virginia Code Sections 15.2-1800 et seq. and 15.2-2100 et seq.

Seller's failure to complete the Closing Conditions shall not be a default by Seller, and Purchaser's sole remedy shall be to terminate this Contract and receive a refund of the Deposit.

7. Closing.

A. Unless this Contract is terminated by Purchaser or Seller as herein provided, the closing hereunder ("Closing") shall be conducted on or before the date that is fifteen (15) days after completion of the Closing Conditions, or as otherwise agreed by the parties in writing (the "Closing Date").

B. At Closing, in addition to any other documents required to be delivered under the terms of this Contract, Seller shall deliver or cause to be delivered the following:

1. A special warranty deed (the "Deed"), duly executed and acknowledged by Seller and in proper form for recordation, conveying good, marketable title to the Real Property, subject to the Permitted Exceptions.

2. A valid bill of sale or assignment, as the case may be, of all of the

Personal Property, duly executed and acknowledged by Seller.

3. To the extent they exist and are in Seller's possession, originals of all certificates of occupancy, licenses, permits, and warranties.

4. An affidavit that Purchaser's title insurance company shall reasonably require in order to issue policies of title insurance free of any exceptions for unfiled mechanic's, materialmen's or similar liens and parties in possession.

5. A certificate of non-foreign status if required by Section 1445 of the Internal Revenue Code.

6. All keys, codes, or other security devices, if any, used in connection with the operation of the Property.

C. At Closing, in addition to any other documents and items required to be delivered under the terms of this Contract, Purchaser shall deliver or cause to be delivered the following:

1. Cash, wire transfer or other immediately available funds payable to Seller in the amount of the Purchase Price, after credit for the Deposit which shall be released to Seller.

8. Closing Adjustments and Expenses.

The following shall be adjusted between Seller and Purchaser and paid as provided below:

A. Purchaser shall be solely responsible for all real estate taxes assessed against the Property for periods after Closing.

B. Seller shall pay the grantor's tax on the deed, to the extent provided by law. Purchaser shall pay all other state and local recording taxes and clerk's fees imposed in connection with the transfer of the Property and/or the recording of the Deed.

C. Seller shall pay the fees and expenses of its legal counsel. Purchaser shall pay all fees and expenses of the title insurance company, surveyors, engineers, Purchaser's legal counsel, and all other professionals and vendors to the extent not paid prior to Closing.

9. Possession. Possession of the Property shall be delivered as of the Closing Date.

10. Condemnation Prior to Closing. In the event that any eminent domain proceeding materially and adversely affecting the Real Property or any part thereof is commenced or threatened by a governmental body having the power of eminent domain (a "Condemnation"), Seller shall promptly give Purchaser written notice thereof. Purchaser shall then notify Seller in writing within ten (10) days after Seller's notice of the Condemnation of Purchaser's election to either: (i) proceed to Closing, in which event Seller and Purchaser shall in good faith negotiate an equitable allocation between Seller and Purchaser of the award resulting from the Condemnation, and if the parties cannot agree, either party may terminate this Contract; or (ii) terminate this Contract, in which event the Deposit shall be returned to Purchaser.

11. Insurance; Risk of Loss Prior to Closing. Seller shall continue to maintain in full force and effect such casualty and liability insurance on or with respect to the Property as it maintains in the ordinary course of business, it being understood and agreed that all risk of loss with respect to the Property, except as may be caused by the acts or omissions of Purchaser or its employees, agents, or contractors, shall remain with Seller through Closing. In the event that prior to the Closing Date, the Improvements on the Property are materially damaged, destroyed, or rendered unusable by fire, casualty, or other cause, then Seller may, at its option, terminate this Contract and the Deposit shall be refunded to Purchaser. If Seller does not terminate this Contract, then the parties shall proceed with the transaction contemplated herein, in which event Purchaser shall be entitled to receive, as applicable, insurance proceeds so long as they are applied toward Project expenses.

12. Default Prior to Closing. If either party shall be in material breach or violation of, or shall fail or refuse to perform its obligations under, this Contract prior to Closing (collectively a "Breach"), and such Breach continues for at least fifteen (15) days following written notice thereof from the non-Breaching party, then the sole and exclusive remedy of the non-Breaching party shall be to terminate this Contract and recover from the Breaching party the reasonable, documented, out-of-pocket expenses incurred by the non-Breaching party in connection with the negotiation, documentation, and performance (or preparation for performance) of this Contract prior to the breach.

13. No Broker. Seller represents and warrants to Purchaser, and Purchaser represents and warrants to Seller, that each engaged no real estate broker, salesperson or other intermediary to assist in the transfer of the Property from Seller to Purchaser. Purchaser hereby agrees to indemnify, defend and hold Seller harmless from and against any claim arising out of a breach of the representations and warranties in this Section. The representations, warranties, and indemnification obligations set forth in this Section shall survive Closing and/or the termination of this Contract.

14. Assignment. Purchaser may assign this contract to an entity created and controlled by

Purchaser to construct the Project. Otherwise, Purchaser may not assign this Contract, or any part hereof or any rights or obligations hereunder, without the prior written approval of Seller. In all circumstances in which this Contract is assigned, Purchaser shall remain jointly and severally liable with any assignee under this Contract.

15. Construction of the Project by Purchaser.

A. As a material part of the consideration for Seller to convey the Property to Purchaser, Purchaser agrees to construct the Project on the terms and conditions set forth herein. Seller would not convey the Property to Purchaser in the absence of Purchaser's agreement to strictly adhere to the conditions set forth in this Section.

B. As used in this Contract, the "Project" shall refer to the repair, renovation, historic rehabilitation and improvement of the Improvements for use as a 17-unit residential apartment building. Prior to constructing the Project, Purchaser shall obtain all required approvals and permits from the Town of Cape Charles, Northampton County, and state and federal authorities (collectively "Authorities"), none of which are waived by this Contract.

C. Within ninety (90) days after Closing, Purchaser shall commence construction of the Project. Purchaser shall complete the Project within twelve (12) months after commencement. All costs of every kind and description associated with the Project shall be borne by Purchaser, except that, to the extent permitted by law, Seller shall pay to Purchaser to be applied toward Purchaser's Project expenses the amount of insurance proceeds received by Seller in connection with earthquake damage sustained by the Property on or about August 23, 2011. Purchaser shall pay all permitting, impact, and utility connection fees, none of which are waived by this Contract except as indicated below. In constructing the Project, Purchaser shall comply with all applicable laws, codes, and regulations of the Authorities.

D. Seller agrees to reduce the applicable water and sewer connection charges by fifty (50) percent. Such connection charges shall be paid in full before issuance of a Certificate of Occupancy for the Project.

E. Within fourteen (14) days after Closing, Seller agrees to close the entrance to the playground contiguous to the Property.

F. To the extent permitted by law, Purchaser shall not operate the Project as a low-income housing facility under any state or federal program.

16. Survival of Covenants. All covenants, representations, warranties, and obligations made by or imposed upon Seller or Purchaser shall survive Closing.

17. Notices. All notices, requests or other communications permitted or required under this Contract shall be in writing and shall be communicated by personal delivery, nationally recognized overnight delivery service (such as Federal Express), or certified mail, return receipt requested, to the parties hereto at the addresses shown below, or at such other address as any of them may designate by notice to each of the others. Notice given by electronic mail shall be effective as of receipt by the addressee, but only if notice is simultaneously sent by another method permitted by this Section.

Seller: MUNICIPAL CORPORATION OF
CAPE CHARLES
2 Plum Street
Cape Charles, Virginia 23310
Attn: Town Manager
Phone: 757-331-3259 x12
Email: heather.arcos@capecharles.org

Copy to: VANDEVENTER BLACK LLP
101 W. Main Street
500 World Trade Center
Norfolk, Virginia 23510
Attn: Michael L. Sterling, Esq.
Phone: 757-446-8600
Email: msterling@vanblk.com

Purchaser: ECHELON RESOURCES, INC.
16215 Wolf Creek Road
Montpelier, VA 23192
Attn: Edwin Gaskin
Phone: 804-767-5990
Email: gaskin@echelonresourcesinc.com

Copy to: DAVID L. ARNOLD, PENDER &
COWARD, P.C.
160 W. Washington Street
Suffolk, VA 23434

Attn: David L. Arnold
Phone: 757-490-6260
Email: darnold@pendercoward.com

18. Miscellaneous.

A. This Contract shall be deemed made in Cape Charles, Virginia, regardless of which party is the last to sign, and shall be governed by, construed and enforced under the laws of the Commonwealth of Virginia, without regard to its conflicts of laws provisions.

B. This Contract sets forth the entire agreement and understanding between the parties with respect to the transactions contemplated hereby and supersedes all prior agreements, arrangements and understandings which led to the subject matter hereof.

C. All the terms, covenants, representations, warranties and conditions of this Contract shall be binding upon, and inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, personal representatives, executors, successors and permissible assigns.

D. Failure of any party at any time or times to require performance of any provisions hereof shall in no manner affect the right at a later time to enforce the provision. No waiver by either party of any condition, or the breach of any term, covenant, representation or warranty contained in this Contract, whether by conduct or otherwise, in any one of more instances, shall be deemed a further or continuing waiver of condition or covenant, representation or warranty contained in this Contract.

E. Any amendment or modification of this Contract shall be made in writing executed by the party sought to be charged thereby.

F. Wherever used herein, the singular shall include the plural, the plural shall include the singular and the use of any gender shall include all other genders.

G. The captions and Section headings contained herein are for convenience only and shall not be used in construing or enforcing any of the provisions of this Contract.

H. This Contract may be executed in two (2) or more counterparts, each of which shall be deemed an original hereof, but all of which, together, shall constitute a single agreement. Signatures transmitted by .pdf email shall be deemed effective, whether or not hard copy original signatures are exchanged.

I. As used in this Contract, the "Effective Date" shall be date on which this

Contract has been fully executed by Seller and Purchaser.

**REST OF PAGE LEFT INTENTIONALLY BLANK
SIGNATURE PAGES TO FOLLOW**

DRAFT

IN WITNESS WHEREOF, Purchaser and Seller have caused this Contract to be executed on their behalf and any party executing this Contract warrants that such party has the authority to do so.

SELLER:

MUNICIPAL CORPORATION OF CAPE CHARLES,
a political subdivision of the Commonwealth of Virginia

Date: _____

By: _____ (SEAL)

Name: _____

Title: _____

PURCHASER:

ECHELON RESOURCES, INC.,
a Virginia corporation

Date: _____

By: _____ (SEAL)

Name: _____

Title: _____

EXHIBIT "A" TO PURCHASE CONTRACT

DESCRIPTION OF REAL PROPERTY - ATTACHED

DRAFT

EXHIBIT "B" TO PURCHASE CONTRACT

PERSONAL PROPERTY

All personal property on or attached to the real property except the following:

1. Any Town documents.
2. Several municipal office benches and former church pews.
3. A U.S. Army Corps of Engineers Global Positioning System transmitter and ancillary equipment.
4. Video monitoring cameras mounted on the exterior.
5. A small wooden storage shed between the playground and basketball court.

The above items will be removed prior to closing.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Fiscal Year 2012/2013 Proposed Budget & Appropriation		AGENDA DATE: June 14, 2012
	SUBJECT/PROPOSAL/REQUEST Approve the Proposed FY 2012/2013 Budget & Appropriate Funds		ITEM NUMBER: 8A
	ATTACHMENTS: Resolution 20120614 – Approving the Budget for Fiscal Year 2012/2013 and Making Appropriations for the Fiscal Year		FOR COUNCIL: Action <input checked="" type="checkbox"/> (X) Information <input type="checkbox"/> ()
	STAFF CONTACT (s): Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Town's budget consists of four separate funds – the General Fund, the Harbor Fund, Sanitation Fund and the Water/Wastewater Fund. The General Fund is supported by real estate taxes, other taxes and other revenues. The Harbor, Sanitation and Water/Wastewater Funds are Enterprise Funds and should be self-sustaining through fees for services and other charges.

DISCUSSION:

Pursuant to Section 15.2-2503 of the Code of Virginia, the Town Council and Staff have held numerous work sessions since February to prepare the budget for Fiscal Year (FY) 2012/2013. As a result of the work sessions, the attached resolution includes the summary of estimated revenues and expenditures by fund for the proposed budget.

The Public Hearing on the proposed FY 2012/2013 budget was held on June 7, 2012 pursuant to Section 15.2-2506 of the Code of Virginia.

RECOMMENDATION:

Adopt Resolution 20120614 – Approving the Budget for Fiscal Year 2012/2013 and Making Appropriation for the Fiscal Year by roll call vote.

RESOLUTION 20120614

APPROVING THE BUDGET FOR FISCAL YEAR (FY) 2012/2013 AND MAKING APPROPRIATIONS FOR THE FISCAL YEAR

WHEREAS, the Council of the Town of Cape Charles has prepared a budget for FY 2012/2013 pursuant to Section 15.2-2503 of the Code of Virginia; and

WHEREAS, the budget has been advertised and a public hearing has been held pursuant to Section 15.2-2506 of the Code of Virginia; now

THEREFORE BE IT RESOLVED, by the Town Council of the Town of Cape Charles, this 14th day of June 2012, that the budget for FY 2012/2013 be approved as follows:

REVENUES	2012-2013	EXPENDITURES	2012-2013
General Fund		General Fund	
Real Estate Tax	1,082,710	Administration	595,863
BPOL Tax	85,000	Code Enforcement	99,734
Personal Property Tax	138,022	Parks & Recreation	62,701
Adms, Meals, Rentals, Transient Occ. Taxes	225,500	Library	105,665
Other Taxes	136,203	Planning	87,428
Building Permits & Code Enforcement	59,225	Police	375,933
Review Fees, Miscellaneous Income	26,750	Public Works	407,776
Library Revenues	800	Fire	8,000
Interest	22,000	Debt Service	101,256
Grants, State Aid and Fines	199,146	Capital	131,000
Total General Fund	1,975,356	Total General Fund	1,975,356
Sanitation Fund	188,300	Sanitation Fund	188,300
Harbor Fund		Harbor Fund	
Operating Revenue	1,542,874	Operating	1,363,652
Harbor Financing Proceeds		Debt Service	184,222
Grant Revenue	505,000	Capital	500,000
Total Harbor Fund	2,047,874	Total Harbor	2,047,874
Water/Wastewater Fund		Water/Wastewater Fund	
Operating Revenue	1,249,710	Water Operations	325,062
Connection Charges	24,700	Wastewater Operations	456,946
Grant Revenue	749,256	Meter & Utility Billing, Administration	98,028
Fund Balance Transfer	172,500	Debt Service	404,791
Financing Proceeds	1,339,488	Capital	2,250,827
Total Water/Wastewater	3,535,654	Total Water/Wastewater	3,535,654
TOTAL REVENUES ALL FUNDS	7,747,184	TOTAL EXPENDITURES ALL FUNDS	7,747,184

The following tax rates and user fees are established:

- Vehicle Tax \$31.00 per vehicle subject to Virginia State Registration (Trailers \$18.00) and golf cart decal is \$31.00.

- Real Estate \$.1828 per \$100; Personal Property Tax \$2.00 per \$100; Boat Tax \$0.01 per \$100
- Water Rate –Residential 0-2,000 gal.: \$39.55 minimum; 2,001 to 5,000 gal.: \$2.63 per 1,000; 5,001 to 10,000: \$3.75 per 1,000; 10,001 to 15,000 gals: \$5.00 per 1,000; over 15,000 gals: \$7.50 per 1,000; Commercial 0-2,000 gal: \$39.55 minimum; 2,001-10,000 gal: \$2.50 per 1,000; 10,001-15,000 gals: \$3.75 per 1,000; over 15,000 gals: \$5.00 per 1,000
- Wastewater Rate –Residential 0-2,000 gal.: \$35.45 minimum; 2,001 to 5,000 gal.: \$4.11 per 1,000; 5,001 to 10,000 gals: \$5.85 per 1,000; 10,001 to 15,000: \$7.80 per 1,000; over 15,000 gals: \$11.70 per 1,000; Commercial 0-2000 gal: \$35.45 minimum: 2,001-10,000 gals: \$3.90 per 1,000; 10,001-15,000 gals: \$5.85 per 1,000; over 15,000 gals: \$7.80 per 1,000
- Trash Collection Fee: \$14.00 per month
- Admissions Tax: 3%; Short Term Rental Tax 1%; Transient Occupancy Tax: 3%; Meals Tax: 5%; and

BE IT FURTHER RESOLVED, that pursuant to Section 15.2-2506 of the Code of Virginia, funds are appropriated from all sources of revenue for expenditures during the period July 1, 2012 through June 30, 2013 as follows:

General Fund - \$1,975,356
 Sanitation Fund - \$188,300
 Harbor Fund - \$2,047,874
 Water/Wastewater Fund - \$3,535,654;

and that the Town Manager is authorized to transfer amounts among Funds with advance notification to the Town Council.

Adopted by the Town Council of Cape Charles on June 14, 2012.

By: _____
 Mayor

ATTEST:

 Town Clerk



TOWN OF
CAPE CHARLES

AGENDA TITLE:
Resolution in Support of New Health and Emergency Care Facility

AGENDA DATE:
June 14, 2012

SUBJECT/PROPOSAL/REQUEST
Adopt resolution in support of a new health and emergency care facility in Northampton County

ITEM NUMBER:
8B

ATTACHMENTS:
Resolution 20120614A

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Heather Arcos

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

On December 10, 2009, the Town Council adopted Resolution 20091210B Confirming Support of the Town of Cape Charles to Retain Riverside Shore Memorial Hospital in Northampton County, Virginia. In 2010, Riverside Shore Memorial Hospital announced its intention to relocate the hospital to Accomack County.

In March 2011, Northampton County requested the Town's support in opposing Riverside Shore Memorial Hospital's Certificate of Public Need stating that it was detrimental to the public health and safety of the citizens of the Town and County. On March 22, 2011, the Town Council adopted Resolution 20110322 In Opposition to Riverside Shore Memorial Hospital's Certificate of Public Need #7820.

In August 2011, the Commissioner of the Virginia Department of Health approved the relocation of Riverside Shore Memorial Hospital to a site immediately behind Four Corners Plaza in Accomack County.

DISCUSSION:

Mayor Sullivan organized a group of concerned parties to approach hospital groups in an effort to bring a new medical facility to Northampton County and written support from local governing bodies would strengthen the group's position in discussions with various hospital groups to help define the need and location for a new health and emergency care facility in Northampton County to provide for the health and safety of the citizens of the Town of Cape Charles and lower Northampton County.

RECOMMENDATION:

Adopt Resolution 20120614A Confirming the Support of the Town of Cape Charles for a New Health and Emergency Care Facility in Northampton County, Virginia with a roll call vote.

RESOLUTION 20120614A

**CONFIRMING THE SUPPORT OF THE TOWN OF CAPE CHARLES
FOR A NEW HEALTH AND EMERGENCY CARE FACILITY
IN NORTHAMPTON COUNTY, VIRGINIA**

WHEREAS, on August 9, 2011 the Commissioner of the Virginia Department of Health approved the relocation of Riverside Shore Memorial Hospital to a site immediately behind Four Corners Plaza in Accomack County; and

WHEREAS, the relocation of Riverside Shore Memorial Hospital to the proposed site in Accomack County would be detrimental to the citizens of the Town of Cape Charles and lower Northampton County; and

WHEREAS, Mayor Dora Sullivan organized a group of concerned parties to approach hospital groups in an effort to bring a new medical facility to Northampton County; and

WHEREAS, written support from local governing bodies would strengthen the group's position in discussions with various hospital groups to define the need and location for a new health and emergency care facility in Northampton County;

THEREFORE, BE IT RESOLVED, that the Town Council of the Town of Cape Charles supports the need for a new health and emergency care facility to provide for the health and safety of the citizens of the Town of Cape Charles and lower Northampton County.

Adopted by the Town Council of Cape Charles on June 14, 2012.

By: _____
Mayor

ATTEST:

Town Clerk



TOWN OF
CAPE CHARLES

AGENDA TITLE: Virginia Retirement System Resolution –
Employer Retirement Contribution Rate

AGENDA DATE:
June 14, 2012

SUBJECT/PROPOSAL/REQUEST: Adopt Resolution
20120614B-Employer Contribution Rate for Counties, Cities, Towns,
School Divisions and Other Political Subdivisions

ITEM NUMBER:
8C

ATTACHMENTS:
Resolution 20120614B

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Heather Arcos

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Town of Cape Charles has been a member of the Virginia Retirement System (VRS) since January 1, 1989. In the past, the Employer Retirement Contribution Rates have been set by the VRS.

DISCUSSION:

As provided in the 2012 Appropriation Act, Item 468(H), for contribution rates effective July 1, 2012, local governing bodies may elect to pay either the rate certified by the VRS Board of Trustees for the 2012-2014 biennium or an alternate rate. The alternate rate is the current Board-certified rate for 2011-2012 or 70% of the 2012-2014 Board-certified rate, whichever is higher. The intent of the language in the 2012 Appropriation Act is to offer localities some budget relief for the coming fiscal year with respect to the amount of their retirement contributions. However, this does not change the Board-certified rate or the Annual Required Contribution. Opting for the Alternate Rate would result in a lower funded ratio when the next Actuarial Valuation is performed and, thus, a higher calculated contribution rate for the future to compensate for the lower rate for the 2012-2014 biennium.

During discussions for the FY 2012-2013 Budget, the Town elected to pay the VRS Board-Certified Rate of 8.79%. A resolution must be adopted and submitted to the VRS by July 1, 2012.

RECOMMENDATION:

Staff recommends Council take a roll call vote to adopt Resolution 20120614B Employer Contribution Rates for Counties, Cities, Towns, School Divisions and Other Political Subdivisions.

Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Political Subdivisions
(In accordance with the 2012 Appropriation Act Item 468(H))

Resolution 20120614B

BE IT RESOLVED, that the Town of Cape Charles, 55379, does hereby acknowledge that its contribution rates effective July 1, 2012 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the Town of Cape Charles, 55379, does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2012:

(Check only one box)

- The Certified Rate of 8.79% The Alternate Rate of 7.15%; and

BE IT ALSO RESOLVED, that the Town of Cape Charles, 55379, does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of Town of Cape Charles, 55379, are hereby authorized and directed in the name of the Town of Cape Charles to carry out the provisions of this resolution, and said officers of the Town of Cape Charles are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Town of Cape Charles for this purpose.

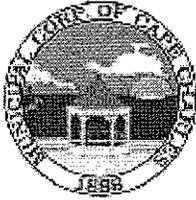
Mayor Dora Sullivan

CERTIFICATE

I, Libby Hume, Clerk of the Town of Cape Charles, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Town of Cape Charles held at 305 Mason Avenue, Cape Charles, Virginia at 6:00 p.m. on June 14, 2012. Given under my hand and seal of the Town of Cape Charles this 15th day of June, 2012.

Town Clerk

**This resolution must be passed prior to July 1, 2012 and
received by VRS no later than July 10, 2012.**



TOWN OF
CAPE CHARLES

AGENDA TITLE: Virginia Retirement System Resolution –
Member Contribution By Salary Reduction

AGENDA DATE:
June 14, 2012

SUBJECT/PROPOSAL/REQUEST: Adopt Resolution
20120614C-Member Contributions by Salary Reduction for
Counties, Cities, Towns and Other Political Subdivisions

ITEM NUMBER:
8D

ATTACHMENTS:
Resolution 20120614C

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Heather Arcos

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Town of Cape Charles has been a member of the Virginia Retirement System (VRS) since January 1, 1989. At that time the Town was contributing a percentage of the full time employees' wages and the employees were contributing 5%. Effective July 1, 2005, the Town of Cape Charles, as part of the FY 2006 budget, decided to contribute the employees' share as an added fringe benefit.

In 2010, the Virginia General Assembly implemented new plan provisions for employees hired or rehired on or after July 1, 2010 called VRS Plan 2. Active employees hired prior to July 1, 2010 fell under VRS Plan 1. In June 2010, the Town Council adopted Resolution #2010060A to provide the same benefit for Plan 2 employees.

DISCUSSION:

On April 18, 2012 the Virginia General Assembly approved legislation (§ 51.1-144.F.3) requiring all employees of a county, city, or town to pay a 5% member contribution on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code. The bill allows governing bodies to phase in the member contribution in each of the next five years.

The Virginia General Assembly also approved language in § 51.1-144.G.2 requiring localities to provide an increase in total creditable compensation, effective July 1, 2012, to each affected employee to offset the cost of the member contributions. The increase in total creditable compensation may also be phased in at the same rate.

During discussions for the FY 2012/2013 Budget, the Town opted for the entire 5% effective July 1, 2012 vs. phasing in the amounts over a five year period. A resolution must be adopted and submitted to the VRS by July 1, 2012.

RECOMMENDATION:

Staff recommends Council to take a roll call vote to adopt Resolution 20120614C Member Contributions by Salary Reduction for Counties, Cities, Towns and Other Political Subdivisions.

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution 20120614C

WHEREAS, the Town of Cape Charles, 55379, employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012 ("FY2013 Employees" for purposes of this resolution), shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the Town of Cape Charles, 55379, employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the Town of Cape Charles, 55379, may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2012, to each such employee in service on June 30, 2012, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the difference between five percent of the employee's total creditable compensation and the percentage of the member contribution paid by such employee on January 1, 2012.

BE IT THEREFORE RESOLVED, that the Town of Cape Charles, 55379, does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2012 (i.e., FY2013):

Type of Employee	Employer Paid Member Contribution	Employee Paid Member Contribution
Plan 1	0%	5%
Plan 2	0%	5%
FY2013 Employees	0%	5%

(Note: Each row must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the Town of Cape Charles in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the Town of Cape Charles under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the Town of Cape Charles directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the Town of Cape Charles shall be reduced by the amount of member contributions picked up by the Town of Cape Charles on behalf of such employee pursuant to the foregoing resolutions.

NOW, THEREFORE, the officers of Town of Cape Charles, 55379, are hereby authorized and directed in the name of the Town of Cape Charles to carry out the provisions of this resolution, and said officers of the Town of Cape Charles are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Town of Cape Charles for this purpose.

Mayor Dora Sullivan

CERTIFICATE

I, Libby Hume, Clerk of the Town of Cape Charles, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Town of Cape Charles held at 305 Mason Avenue, Cape Charles, Virginia at 6:00 p.m. on June 14, 2012. Given under my hand and seal of the Town of Cape Charles this 15th day of June, 2012.

Town Clerk

This resolution must be passed prior to July 1, 2012 and received by VRS no later than July 10, 2012.



TOWN OF
CAPE CHARLES

AGENDA TITLE: WWTP Concrete Demolition

AGENDA DATE:
June 14, 2012

SUBJECT/PROPOSAL/REQUEST: Award contract for the Demolition of Concrete Structures at the old WWTP

ITEM NUMBER:
8E

ATTACHMENTS: None

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Dave Fauber

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The new waste water treatment plant has been accepting 100% of the Town's flow for over a month. Demolition of the steel tanks at the old WWTP is complete. Left to be removed are the concrete structures: non-potable water tank, drying beds and polishing pond spillway, and the earthen berm that contains the polishing pond.

DISCUSSION:

Staff advertised an Invitation for Bids (IFB) for the demolition and removal of the concrete structures and bulldozing/grading of the polishing pond. No pre-bid meeting was held. One (1) bid was received.

Brittingham Bulldozing & Excavating bid \$19,100.00.

We have budgeted \$288,650 for closure of the old WWTP. This amount is included in the authorized amount of our Clean Water Revolving Loan Fund zero interest loan. So far, we have expended \$23,424 for engineering, steel demolition and removal, piping and other parts. The contract for concrete demolition and removal is for \$19,100. Additional work will include fencing around the former disinfection and aeration structure (now used for settling of the water plant backwash), and grading and seeding. We now estimate the total for the closure project at about \$70,000.

RECOMMENDATION:

Staff requests Council to authorize the Town Manager to execute a contract with Brittingham Bulldozing & Excavating for the concrete demolition at the old WWTP for \$19,100.00 subject to approval by the DEQ.