

TOWN COUNCIL

Regular Meeting

March 8, 2012

St. Charles Parish Hall

Immediately Following Public Hearing

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Invocation and Pledge of Allegiance
3. Public Comments (3 minutes per speaker)
4. Consent Agenda
 - A. Approval of Agenda Format
 - B. Approval of Minutes
5. 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
6. Old Business
 - A. Wastewater Treatment Plant Status
 - B. PSA / Regional Wastewater System Update
 - *C. Technology Zone
 - *D. Adaptive Reuse
7. New Business
 - *A. Grounds Maintenance Service Contract Extension
 - *B. Waste Collection and Disposal Services Contract Extension
 - *C. Federal Highway Safety Grant Application
 - *D. Local Challenge Arts Grant Application
 - *E. NMA Federal Credit Union Board Representation
8. Announcements
 - March 14, 2012 – Town Council Budget Work Session @ 3PM
 - March 22, 2012 – Town Council Work Session @ 6PM
 - April 12, 2012 – Town Council Regular Meeting @ 6PM
 - April 13-14, 2012 – Blessing of the Fleet
 - April 14, 2012 – Pirates & Wenches Ball @ 7PM
 - April 19, 2012 – Town Council Budget Work Session @ 6PM
 - April 26, 2012 – Town Council Work Session @ 6PM
9. Adjourn at 8:00 P.M.



DRAFT
TOWN COUNCIL & PLANNING COMMISSION
Joint Public Hearing
Town Hall
February 7, 2012
6:00 p.m.

At 6:00 p.m. Vice Mayor Chris Bannon, having established a quorum, called to order the Public Hearing of the Town Council. In addition to Vice Mayor Bannon, present were Councilmen Bennett, Sullivan and Veber and Councilwoman Natali. Mayor Sullivan and Councilman Evans were not in attendance.

Chairman Bruce Brinkley, having established a quorum, called to order the Public Hearing of the Planning Commission. In addition to Chairman Brinkley, present were Commissioners Roger Munz, Joan Natali and Mike Strub. Vice Chairman Dennis McCoy and Commissioner Malcolm Hayward were not in attendance. Also in attendance were Town Planner Tom Bonadeo and Town Clerk Libby Hume. There were no members of the public in attendance.

Bruce Brinkley announced that the evening's Joint Public Hearing was to hear public comment regarding the proposed modifications to the Cape Charles Zoning Ordinance Section 8.22 regarding Hazardous Buildings or Structures.

PUBLIC COMMENTS:

There were no public comments to be heard and no written comments were submitted prior to the hearing.

Motion made by Joan Natali, seconded by Roger Munz, to close the Planning Commission Public Hearing. The motion was unanimously approved.

Motion made by Councilman Sullivan, seconded by Councilman Bennett, to close the Town Council Public Hearing. The motion was approved by unanimous consent.

Vice Mayor Bannon

Chairman Brinkley

Town Clerk



DRAFT
TOWN COUNCIL
Public Hearing
St. Charles Parish Hall
February 9, 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, Sullivan and Veber and Councilwoman Natali. Also in attendance were Town Manager Heather Arcos, Assistant Town Manager Bob Panek, Town Planner Tom Bonadeo and Town Clerk Libby Hume. The Department Heads were also in attendance along with 17 members of the public.

Mayor Sullivan announced that the evening's Public Hearing was to hear public comment regarding the sale of the former school and the proposed modifications to the Subdivision Ordinance (Appendix A, Section 2 of the Cape Charles Zoning Ordinance).

PUBLIC COMMENTS:

A. *Sale of Former School*

Frank Wendell, Cape Charles

Mr. Wendell presented a picture of the old high school to the Town and stated that he had philosophical and grave concerns regarding the idea of giving away public property that the Town should have been maintaining. He stated that he had concerns and reservations about the Town entering into an agreement for \$1 for the sale of the school. He added that he realized that the building was in poor shape and hoped that we were not rushing to judgment. He found out how far the Council had proceeded down this path a few days ago and did not know that the sale was to be voted on tonight. He entered into discussions with several of the Council members who entertained him graciously with his questions. He questioned whether the Town had all the information needed to make this decision even with the dire state of affairs with the building. He had spoken with several Council members about the idea of preserving the base aspects of the auditorium and gymnasium to be used for Council meetings and they did not know if Echelon Resources would be agreeable to that. He went to the Internet and found an old school in Hopewell, Virginia which went through this process about a year and a half ago and printed out several pages which he distributed amongst Council. Under amenities, it stated that an auditorium was available for events and he felt that Council needed to negotiate for the availability for a Town meeting hall or space in a building. His sister made some phone calls and talked to Mr. John M. Altman, Jr., Hopewell's Assistant City Manager for Development, who faxed their agreement with Echelon Resources which showed a clause where the "developer shall restore, preserve and maintain the auditorium in the school as part of the project consistent with DHR requirements and approvals. The developer must make the auditorium available for use by the general public. Any charge for use must be reasonable..." He found out in two hours more than what some Council members have found out in six months about what can be negotiated in

the interest of this town. Mr. Wendell stated that it was his hope that the school could be used for public space. He realized that there were harsh realities of what one entity or government could afford however he did not know what could make Cape Charles so different than Onancock which created a community/cultural arts center in their former high school. Our town government did not see this as a real possibility. He had hoped that the Citizens for Central Park, which did such a great job with the grounds of the school, could extend their vision and inspiration to the 100-year old building which was owned by the community. He would hold out his hope that the community could still rally around saving the school. Mr. Altman informed his sister that they did not sign anything until they knew what the deal was. It seemed that we've put the cart before the horse in proceeding to sign before Echelon Resources had informed us of what they planned to do. One of the Hopewell Council members had negotiated as a proffer, the building of a clubhouse, with a cost of approximately \$100K, for the football team at the old football field which was adjacent to the school building.

Ms. Lisa Harman interjected that the Town of Hopewell sold their building for \$100 but nothing was signed until all the negotiations were finalized. There was a clause in the agreement that if the project were not completed within a certain timeframe, the property would revert back to the Town. There were a lot of things that she felt the Town should look into before signing the agreement. Mr. Altman told her that he would be happy to talk to anyone regarding the project and other communities had come to Hopewell to look at their project.

Mr. Wendell continued and pointed out language in Ordinance #20120209 regarding the "historic rehabilitation of the building which now suffers from significant deferred maintenance and repair," and added that there was something wrong with the picture when the Council had chosen not to spend the money for 10+ years to maintain the building to comply with its building ordinances and then use it as a reason to sell the building for \$1 without fully examining the ability to negotiate a better deal for the citizens of the Town. Mr. Wendell again expressed his hope that the Citizens for Central Park would broaden their view and partner with the Town. The Citizens for Central Park would be eligible for the tax credits and they had a good working relationship with the Town. The idea that the Council would feel like they had no choice but this because some enlightened citizenry did not step forward and lead the charge begs the question why one would seek public office in the first place if they weren't going to look out for the collective assets, however deteriorated some of them may be. Mr. Wendell went on to state that he hoped that if a deal had to be made, Council would put on their thinking caps to get a better deal. Did the Town really want to forgo the idea of an expanded library, a community center, a meeting place and a location to help anchor the many functions planned for the park through the good work of the Citizens for Central Park? Mr. Wendell concluded by asking Council to be more prudent and not rush into a deal without doing more due diligence.

Lisa Harman, Cape Charles

Ms. Harman stated that her sentiments were in agreement with Mr. Wendell's comments. They were both raised in Cape Charles and the school was a big part of the Town. She stated that she understood the fact that it was badly in need of repair.

She asked Council to look over the document she supplied and added that she was not sure whether any of the Council members had visited any of the projects completed by this company and added that it might be something Council may want to do before signing the agreement.

There were no written comments submitted prior to the hearing.

B. *Proposed Modification to the Cape Charles Zoning Ordinance – Subdivision Ordinance Modifications (Appendix A, Section 2)*

No one signed up to speak regarding this topic and no written comments were submitted prior to the hearing.

With no more comments to be heard, Mayor Sullivan closed the Town Council Public Hearing by unanimous consent.

Mayor Sullivan

Town Clerk



DRAFT
TOWN COUNCIL
Regular Meeting
St. Charles Parish Hall
February 9, 2012

Immediately Following Public Hearing

At 6:14 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, Sullivan and Veber and Councilwoman Natali. Also in attendance were Town Manager Heather Arcos, Assistant Town Manager Bob Panek, Town Planner Tom Bonadeo, Treasurer Jo Anna Leatherwood and Town Clerk Libby Hume. The Department Heads were also in attendance along with 17 members of the public.

Mayor Sullivan gave the invocation and led the recitation of the Pledge of Allegiance.

PUBLIC COMMENTS:

Donna Bozza, Eastern Shore of Virginia Tourism Commission

Ms. Bozza greeted the Council and stated that she was here tonight because Cape Charles was such a strong partner with the Eastern Shore of Virginia Tourism Commission (ESVTC) and she wanted to share some good tourism updates as follows: i) According to the State data, during 2009-2010, which many have said was the height of the recession, the tourism revenue in Northampton County increased by 11% and was the highest increase in the entire State of Virginia; ii) The new Travel Guide was out and she would bring some to the Town. 150k copies were printed and it was a multi-faceted marketing tool used by the ESVTC. It was mostly sent out of the area to entice people to the shore and included in their media kits. It was also the only 24/7 Eastern Shore information available at the Welcome Center and was the only Eastern Shore information available at the Chesapeake Bay Bridge Tunnel; and iii) She wanted to make an official announcement that the ESVTC, for the third time in their seven-year history, had been selected as one of twelve destination marketing organizations and entities across the State of Virginia to participate in the New York City media call with our Virginia Tourism Corporation (VTC) partners. The ESVTC would be meeting with top print and online media representatives in small groups to promote "You'll love our nature" and "Virginia is for lovers" campaigns. In the past, this had resulted in at least a million dollars in advertising. There was a huge spread in the New York Times and advertisements were placed in Southern Living magazine, Travel Leisure, Budget Travel and numerous others. She wanted to share this with the Town and thanked Council for all their support in allowing them to do all these things. Ms. Bozza stated that she wanted to set the record straight regarding something that was said in a Council work session last month. In reading the minutes, it appeared that some comments were made regarding South Port Investors and she wanted to stated that the ESVTC was willing and open to working with any entity that would bring appropriate tourism to the Eastern Shore of Virginia. From what she had heard about the project, it would fit in with the "You'll love our nature" campaign. As she had told Mr. Baldwin at the Cape Charles Coffee House on many occasions, the ESVTC was on board and anxiously awaiting to talk to him and would support him in marketing when his project comes to fruition. Ms. Bozza stated that she had one final thing to set straight. Because the ESVTC had worked with the VTC for seven years and highly respected their integrity and professionalism, she felt that a point needed to be made. Even though the ESVTC was brought on board in the beginning and they were very happy to be selected as one of the four areas to have a State tourism liaison, neither the ESVTC nor any other entity interfered with the hiring process procedures of the VTC. The VTC was a professional organization and out of respect to them, she just wanted to make sure that was on

record. Ms. Bozza thanked Council again for their support in helping the ESVTC bring tourism dollars to Cape Charles.

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

CONSENT AGENDA:

Mayor Sullivan stated that several guest presenters were in attendance this evening and suggested moving Items 7A – NMA Federal Credit Union Presentation and 7B – Tall Ships at Cape Charles Presentation before “Report Presentations.”

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

The Town Council reviewed the minutes of the January 12, 2012 Regular Meeting, the January 12, 2012 Executive Session, the January 19, 2012 Work Session and the January 26, 2012 Work Session.

Councilwoman Natali noted two typographical corrections in the January 12, 2012 Regular Meeting minutes.

Councilman Evans stated that he would abstain from the vote since he was not attendance for three of the meetings.

Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to approve the minutes of the January 12, 2012 Executive Session, the January 19, 2012 Work Session and the January 26, 2012 Work Session as presented and the January 12, 2012 Regular Meeting Minutes as amended. The motion was approved by majority vote with Councilman Evans abstaining.

NEW BUSINESS:

A. NMA Federal Credit Union Presentation

Mayor Sullivan welcomed the NMA Federal Credit Union staff: President/CEO Bill Merritt, Senior Vice President Paige LoCash, Director of Human Resources Vickie Baker, Director of Lending Linda Benedict, Mr. Bill Landon of their Board of Directors, and Mr. Kevin Paasch of MassMutual, a strategic alliance partner.

Mr. Merritt gave a history of NMA Federal Credit Union and an overview of their branch locations and services adding that credit unions were member owned. Their Community Charter allowed everyone who lived and/or worked on the Eastern Shore of Virginia to join NMA Federal Credit Union. The Cape Charles and Parksley branch offices would be open Monday through Friday and the Exmore branch would also have Saturday morning hours. NMA Federal Credit Union was very active in the communities and contributed regularly to scholarship funds, civic organizations and events. The credit union offered all the services of financial institutions at no cost to its members. Mr. Merritt went on to state that NMA Federal Credit Union was a member of the Virginia Credit Union Service Center and could process transactions for 99% of existing credit unions at no additional cost. Mr. Merritt introduced Mr. Kevin Paasch.

Mr. Paasch stated that his role was to provide information regarding financial planning, insurance and investments and would be involved in providing financial literacy training to

middle and high school students as well as the PTAs and the Eastern Shore Community College.

Mr. Merritt concluded by stating that the reason NMA Federal Credit Union was coming to Town was the Mayor and Town Council. Heather Arcos and staff were very supportive and helped them get ready. It was unheard of for a Town Council to step out in such a way in looking out for their citizens' best interests. Mr. Merritt thanked the Mayor and Town Council for the opportunity to make this presentation.

Ms. Baker added that they would be visiting several businesses in Town tomorrow to help them get signed up as members since they were not able to attend the scheduled sessions.

B. *Tall Ships At Cape Charles Update*

Mayor Sullivan introduced Dave Steward, Executive Director of Tall Ships Cape Charles, who updated Council regarding the Tall Ships at Cape Charles initiative. Mr. Steward stated that the Steering Committee comprised of 30+ volunteers, companies and organizations met monthly to coordinate efforts and about 14 sub-committees had been established. Alliances had been formed with the Cape Charles Business Association, Bay Creek Resort, American Legion Post #56, Coast Guard Station Cape Charles, the Cape Charles Rotary, the Lions Club and the Barrier Islands Center and the group was working with the Virginia Tourism Corporation, the B&B Association, hotels and inns on "Stay & Play" visitor packages. To date, three ships, the Sultana, the Lynx and the Appledore V, had been confirmed for June 8 - 12, 2012 and would be offering deck tours and day sails. Each ship would be staying an extra day to offer 6-hour cruises to go alongside the Parade of Sail from the Lynnhaven Inlet in Virginia Beach toward Baltimore, MD, the next stop in the OpSail 2012 schedule. Two U.S. Naval vessels had also been confirmed and a possible Coast Guard helicopter. The Navy was planning a dry run with two patrol crafts for the Blessing of the Fleet weekend. The Kalmar Nyckel was also interested in coming to Cape Charles on June 14 - 19, 2012. In addition to Cape Charles, events had also been planned around the Tall Ships at Cape Charles in Cheriton, Eastville, Exmore and Onancock. Mr. Steward stated that he was working with Chief Brown regarding traffic and parking issues in trying to make the Town as pedestrian friendly as possible. Bay Creek Resort and Bay Coast Railroad had been a huge help regarding parking locations and shuttle service and water taxi service were being discussed. On June 8th, the Chesapeake Bay Bridge Tunnel was providing access to the second island from the Eastern Shore for viewing the Parade of Sail coming in. Approximately 1K people would be able to participate and five busses would be running from the Welcome Center to transport individuals to the second island. Tickets would be \$15 per person. Calls were coming from people living across the Bay wanting to come to Cape Charles to enjoy the festivities in a more rural environment. The slips at the Cape Charles Harbor were sold out and Bay Creek Marina was booking up as well.

Councilwoman Natali stated that it was nice to see other Towns being included in the activities.

Mr. Steward concluded by stating that all the Towns were involved in some way including Nassawadox and Exmore for the "Stay & Play" lodging packages.

REPORT PRESENTATIONS:

A. *Town Manager's Report:*

Town Manager Heather Arcos reported that she, along with Harbor Master Smitty Dize and Chief of Police Charles Brown, attended a Virginia Port Authority meeting and requested funding for the next section of breakwater at the Harbor. The only other attendees were

representatives from Accomack County and Bay Coast Railroad. The application deadline was March 1st and we should find out the amount of the award in May.

B. Treasurer's Report:

The Treasurer's report dated January 31, 2012 showed \$1,105,130 in the Bank of America checking account and \$1,143,364 in the Local Government Investment Pool ("LGIP") with a Total Cash on Hand of \$2,248,494. Treasurer Jo Anna Leatherwood stated that she was working on a list of properties with delinquent utility bills to forward to the attorney to have liens added.

Councilwoman Natali asked about the property in Town which owed delinquent real estate taxes to both the County and Town. Jo Anna Leatherwood informed Council that there had been no change regarding this issue.

Motion made by Councilman Bennett, seconded by Councilwoman Natali, to approve the Treasurer's Report as presented. The motion was approved by unanimous consent.

C. Recreation Report:

Mayor Sullivan stated that Community Events/Recreational Coordinator Jen Lewis was not in attendance.

D. Library Report:

Librarian Ann Rutledge reported the following: i) World Book Night would be celebrated on April 23rd. It was sponsored by a non-profit organization with a goal to get 50K people to read. The Cape Charles Memorial Library was selected as a World Book Night book giver and Jen Lewis, Sharon Silvey and Alice Morehouse each received 20 books to distribute; and ii) The Library was making preparations for the Summer Reading Program and were planning to have more guests this year. This summer's theme was "Dream."

E. Harbor Report:

Harbor Master Smitty Dize thanked the Council for allowing him to work for the Town as the Harbor Master and reported the following: i) This week, he learned that FEMA had a different method of calculating flood elevation and a change order was done for the Bath House project at the Harbor to raise the foundation to meet FEMA's standards. The project was still within budget; ii) The floating docks were almost booked for the Blessing of the Fleet and reservations were being filled for the older docks in the inner Harbor. The Harbor was almost full for the Memorial Day weekend as well. Several yacht clubs had made reservations for weekends throughout the year. There was a lot of excitement with everything being done at the Harbor and around Town; and iii) January was the first month since he began working for the Town where no seafood was brought into the Harbor. This was a result of the regulation changes and the fact that watermen were getting older, etc.

F. Public Works / Public Utilities Report:

Public Works / Public Utilities Director Dave Fauber reported the following: i) The engineers were working on the preliminary engineering report (PER) for hooking up the new wells. The PER should be completed this month; ii) The Public Works Maintenance Building had been completed; and iii) On February 10th, the holes would be drilled at the Park for the ongoing effort to alleviate the drainage issue.

G. Code Enforcement:

Heather Arcos stated that Code Official Jeb Brady was not in attendance.

Vice Mayor Bannon commented on the number of permits issued to date this year and requested the newspaper reporters in attendance to note the numbers in their articles.

Heather Arcos added that the Town was awaiting the plans for the Bay Creek Beach Club.

H. *Planning Report:*

Town Planner Tom Bonadeo reported that a Wetlands and Coastal Dunes Board meeting had been scheduled for Wednesday, February 29th, to review two applications as follows: i) Bay Vistas submitted an application for a redesigned wave attenuation device which was similar to a coral reef. This device would be the first of its kind in Virginia; and ii) Gamesa Energy submitted an application to run an electrical cable from their proposed off-shore wind turbine to the Bay Coast Railroad property. Tom Bonadeo passed photographs of the proposed wind turbine.

I. *Police Department:*

Chief Charles Brown reported the following: i) Last Friday, there was a hit-and-run motor vehicle accident on Old Cape Charles Road by the Rosenwald School. An elderly lady riding her bicycle was struck from behind by a white truck or van. The lady was still recovering and further details of the accident were unknown; and ii) The Golf Cart Path along Old Cape Charles Road into the Bay Creek Resort would not be completed. The Bay Creek Homeowners' Association voted against continuation of the path into the Bay Creek development. It was unlawful for golf carts to travel on Old Cape Charles Road due to the 35 MPH speed limit. Slow moving vehicles, which were licensed through the Division of Motor Vehicles, could legally travel the road.

Vice Mayor Bannon asked for an update on the individual who hit the mule on Old Stone Road last month. Chief Brown stated that the gentleman had surgery on his shoulder. There were no further updates on his condition. The mule was killed.

OLD BUSINESS:

A. *Sale of Former School:*

Assistant Town Manager Bob Panek stated that the Town received an unsolicited proposal from Echelon Resources, Inc. for the purchase and redevelopment of the former Cape Charles School property. The project would be an historic rehabilitation and transformation of the property into approximately 16 or 17 market-rate Live/Work units which would be available for lease. The sale of the property would be at a negligible price to ensure the financial viability of the project. The details of the purchase were being negotiated and the necessary revision to the zoning ordinance was in process. Bob Panek continued to state that he had been working on the details of the agreement with Echelon Resources for about a month.

Mayor Sullivan stated that Council needed to remind themselves of the comments heard earlier this evening.

Councilman Bennett stated, for clarification, that the sale of the school was still being negotiated and the Ordinance to be voted on this evening was to continue the negotiations and not actually to sell the building.

Bob Panek explained that the Ordinance authorized the sale of the school if an agreement could be reached. There were still several issues which needed to be resolved before the sale could proceed. If all items were not satisfied, the sale would not be finalized.

Councilman Veber stated that he heard Mr. Frank Wendell this evening and he would also like to see the school saved. In this proposal, the Town had an option to maintain a portion

of the school. If at any point, the former students, etc. wanted to raise money to do something with the school, he did not have any objections with their involvement.

There was much discussion regarding this issue with Mr. Wendell pointing out that the Town of Hopewell had the developer build another building for the Town's use.

Councilman Bennett suggested that, since Council was not actually selling the school this evening but authorizing the sale if an agreement could be reached, Council should conclude this item and move on with the agenda.

Mayor Sullivan moved to adopt Ordinance #20120209 - Authorizing Sale of Former School as noticed and forwent reading of the Ordinance. The motion was unanimously approved. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

B. *Zoning Ordinance Modification – Subdivision Ordinance:*

Tom Bonadeo stated that the Planning Commission reviewed the subdivision ordinance language in the Cape Charles Zoning Ordinance and recommended a modification to the definition to exempt certain actions from the full subdivision requirements as follows: i) Boundary adjustments between adjoining landowners where new lots were not created; ii) Release of some mortgages; iii) Division of a parcel by eminent domain; and iv) Division for the purpose of conservation. These modifications would benefit transactions that were not really subdivisions in the strict sense of the definition and created costly paperwork with no value. Tom Bonadeo went on to state that two public hearings were held and no comments were received.

Motion made Councilman Bennett, seconded by Vice Mayor Bannon, to approve the Zoning Ordinance modification as recommended by the Planning Commission. The motion was approved by unanimous consent.

C. *Zoning Ordinance Modification – Section 8.22-Hazardous Building or Structures:*

Tom Bonadeo stated that the Planning Commission reviewed Section 8.22 of the Cape Charles Zoning Ordinance which allowed the removal of structures that were dangerous to public safety and did not require much notification. The proposed modifications incorporated notification requirements and current staff procedures to ensure that demolition was being carried out only on those structures that were safety hazards which could not be practicably repaired.

Motion made Councilman Evans, seconded by Councilwoman Natali, to approve the Zoning Ordinance modification as recommended by the Planning Commission.

Councilman Evans asked if there was any merit in requiring approval by the Town Council or the Town Manager before a structure could be demolished. There was much debate regarding this issue and Councilman Bennett stated that he did not feel that the Council needed to vote on each structure. This modification would set a procedure requiring certification by a structural engineer which would ensure that only those structures that were safety hazards would be demolished.

Councilman Evans amended his motion adding that all reports regarding the demolition of a structure would be presented to Council as an agenda item for their review prior to the actual demolition of the structure. There was no second to the amended motion so the motion died.

There was some discussion regarding what would happen if the reports were presented to Council and Council denied the demolition request. If the owner was not willing to fix the structure, what would happen to the structure? The Town did not have funds to save these properties.

Motion made by Councilman Bennett, seconded by Vice Mayor Bannon, to approve the text change to Section 8.22 of the Zoning Ordinance as proposed with the exception of Item 2 which would be changed from "stamped" to "sealed." The motion was approved by majority vote with Councilman Evans opposed.

D. Technology Zone – Schedule Public Hearing:

Tom Bonadeo stated that several work sessions were held to review Technology Zone Ordinances from around the state and appropriate features were selected for the Town of Cape Charles. At the last work session, Council reviewed recommendations from legal counsel and the total grant amount for Facility and Connection Fees was modified. A public hearing must be held prior to adoption of this new ordinance.

Motion made by Councilman Bennett, seconded by Councilman Veber, to schedule a public hearing for March 8, 2012 to hear public comments regarding the proposed Technology Zone Ordinance. The motion was approved by unanimous consent.

E. Adaptive Reuse – Schedule Public Hearing:

Tom Bonadeo stated that the Planning Commission reviewed Section 3.2.C.7 of the Cape Charles Zoning Ordinance and recommended a text change to the R-1 Zone for the adaptive reuse of contributing historic structures and structures over 50 years old which may be eligible for "Historic" status independent of another National Historic District. A public hearing must be held prior to adoption of the modifications and the Planning Commission recommended scheduling a joint public hearing.

Motion made by Councilman Evans, seconded by Councilman Sullivan, to schedule a joint public hearing with the Planning Commission for March 6, 2012 to hear public comments regarding Section 3.2.C.7 of the Zoning Ordinance. The motion was approved by unanimous consent.

NEW BUSINESS:

C. Contract for Demolition of Old Wastewater Treatment Plant:

Bob Panek stated that the wastewater treatment at the new plant began the week of January 23rd and flow was being switched from the old plant as the bio-mass was developed and reliability was proved out. The Department of Environmental Quality approved the Preliminary Engineering Report for decommissioning the old plant and an Invitation for Bids (IFB) was advertised. Two bids were received, one of which was non-responsive as it did not address specific information required by the IFB. The second bid, from Eastern Shore Recycling, LLC, was for zero dollars (\$0.00) and met the requirements of the IFB. After the demolition, the polishing pond would be drained and closed.

Councilman Bennett asked whether anything else had to be done after the polishing pond was closed. Bob Panek stated that the drying beds would also be demolished. The building, some equipment, generator, fencing and lighting was to stay. The UV structure would stay as it was in use to route the water plant backwash.

Motion made by Councilman Bennett, seconded by Councilman Sullivan, to award the contract for demolition of the old wastewater treatment plan to Eastern Shore Recycling, LLC. The motion was approved by unanimous consent.

D. National Endowment for the Arts Grant:

Bob Panek stated that Arts Enter Cape Charles brought to the Town's attention the opportunity to apply for an "Our Town" grant from the National Endowment for the Arts (NEA) which were competitive grants for creative placemaking projects that contributed toward the livability of communities and help transform them into lively, beautiful and sustainable places with the arts at their core. Council was briefed on the plan at the January 26th Work Session. The requested amount had been increased by \$25K since the Council Work Session last month. The revised figures for the two-year project were as follows: \$75K (42.8%) from the NEA Our Town Grant, \$25K (14.3%) Arts Enter Cape Charles cash match, \$25K (14.3%) Town of Cape Charles cash match and \$50K (28.6%) in-kind match by the Town, Arts Enter Cape Charles, Cape Charles Business Association and the Citizens for Central Park. Arts Enter Cape Charles would apply for and manage the grant. A resolution expressing Council's support of the project and commitment to the Town share of the funding was required.

Motion made by Councilman Bennett, seconded by Councilman Veber to adopt Resolution #20120209 - Supporting the Application for a Grant from the National Endowment for the Arts as noticed and forgo reading the Resolution. The motion was unanimously approved. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

E. Depository Accounts Bank Change Resolution:

Jo Anna Leatherwood stated that the Bank of America and its predecessors had served as the Town's principal banking institution for many years. The Town was notified that the Cape Charles branch of the Bank of America would be closing effective March 12, 2012. Municipalities were mandated by the Code of Virginia to deposit public funds in qualified public depositories and unfortunately, under this regulation, the new NMA Federal Credit Union was not eligible to assist the Town with our depository banking services. The Town Manager and Treasurer met with representatives from PNC Bank, Shore Bank and Sun Trust Bank and upon review of the presentations and proposals of various banking services, staff recommendation was to transfer the Town's current accounts to Shore Bank which offered all current services utilized by the Town at lower costs. Shore Bank would evaluate other possible services including some cost-saving alternatives and a possible line of credit.

Councilwoman Natali asked whether there was any concern that Shore Bank was a subsidiary of Hampton Roads Bankshares. Jo Anna Leatherwood stated that everyone that the Town would be dealing with was located on the Eastern Shore and all accounts were handled locally.

Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to adopt Resolution #20120209A - To Move the Municipal Corporation of Cape Charles' Depository Accounts to Shore Bank as noticed and forgo reading the Resolution. The motion was unanimously approved. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.

ANNOUNCEMENTS:

- February 11, 2012 – Habitat for Humanity February Freeze
- February 11, 2012 – Valentine's Day Party for Children of All Ages, 2PM – 4PM at Aqua
- February 13, 2012 – ID Theft Workshop, 7PM at the Library
- February 20, 2012 – Town Offices closed in observance of Presidents' Day
- February 22, 2012 – Town Council Work Session @ 3PM
- February 23, 2012 – Town Council Work Session @ 6PM
- March 8, 2012 – Town Council Regular Meeting @ 6PM

- March 14, 2012 – Town Council Work Session @ 3PM
- March 22, 2012 – Town Council Work Session @ 6PM

Vice Mayor Bannon stated that a benefit dinner was being organized for Doug Walker. Mayor Sullivan added that the Auxiliary would be holding a spaghetti dinner for \$15 per person. The Bed & Breakfasts would be serving desserts and the auxiliary would be doing the salads. The date had yet to be determined.

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

Mayor Sullivan

Town Clerk

DRAFT



DRAFT TOWN COUNCIL

Work Session

Town Hall

February 22, 2012

3:00 p.m.

At approximately 3:00 p.m., Vice Mayor Chris Bannon, having established a quorum, called to order the Work Session of Town Council. In addition to Vice Mayor Bannon, present were Councilmen Bennett, Sullivan and Veber and Councilwoman Natali. Mayor Sullivan and Councilman Evans were not in attendance. Also present were Town Manager Heather Arcos, Treasurer JoAnna Leatherwood and Town Clerk Libby Hume. The other department heads came into the meeting as their department budgets were reviewed. There were three members of the public in attendance but they left shortly after the meeting began.

Vice Mayor Bannon announced the business for the evening would be to review the proposed operating and capital budgets for FY 2012-2013.

Town Manager Heather Arcos began by reviewing the budget assumptions and highlights and explained the following:

Personnel: i) A 3% cost of living increase was factored into the personnel costs. Last year's budget included a 1% cost of living increase and bonuses were given the previous year; ii) The Virginia Retirement System and Life insurance premiums increases had been included; iii) Health benefits were expected to increase. The Town was exploring options and would have a recommendation by the March budget meeting; iv) Disability benefits – some corrections were identified to have all employees covered; v) No merit increases were included but would be reviewed in closed session; vi) A part-time clerk was included for Code Enforcement; and vii) An increase in hours was included for the Library Assistant.

Professional Services: i) Legal fees remained the same but all legal fees for the General Fund were now included in the Town Manager's budget; ii) Grounds Maintenance – Increase reflected the new wastewater treatment plant, Park Improvement Landscape Maintenance, entrance into Town and all public areas in Town. This also included the seven leased lots at Randolph Avenue and Fig Street, the Hump and the area formerly known as the Keck Property; and iii) IT Consulting & Web – Level spending at this time. Estimates for a new server and hardware were in process. Broadband capabilities would broaden the Town's opportunities for a network upgrade.

Other Operating Expenses: i) Insurance – All departmental general liability insurance had been allocated to the Town Manager's budget to streamline. These numbers were included as level spending since the VML had not yet released the premium amounts for the upcoming year; ii) Electric – The electricity services for the municipal building had been allocated by department in the past, but this year was included in the Public Works budget to streamline; iii) Telecommunications – Previously, this cost was spread across departments, but was not allocated in the Town Manager's budget; and iv) Line of Duty Act (LODA) insurance coverage, which was mandated by the State effective July 1, 2011, was included in the Town Manager's budget at level spending for the active volunteer firefighters for Cape Charles. In the FY 2011/2012 budget, Northampton County covered the cost of LODA for all county-wide firefighters and it was unknown at this time whether the County would cover the cost again this year.

Capital Projects: A Capital Summary of all capital projects for the General Fund was included in the Public Works budget.

Heather Arcos stated that the revenues included seven months actual and five months projected. There was a gap of \$175K as presented. Notification was sent to all organizations which typically request financial assistance from the Town with a February 21st deadline and only two requests were received.

The operating and capital budgets for the following departments were reviewed: i) Library; ii) Recreation; iii) Code Enforcement; iv) Town Planner; v) Police Department; and vi) Town Clerk.

The Library budget included the following: i) an increase in the part-time assistant's hours from 26 to 30 hours per week off-season and for 40 hours per week from June – August; ii) the money allocated in this year's budget was not expected to be used. The Town was working with the Eastern Shore of Virginia Broadband Authority to connect the Library and the Computer Lab. Level spending was included for the upcoming year; iii) a \$100 increase in advertising to print rack cards showing the Library programs; iv) the Mileage, Gas, Tolls was increased due to the higher cost of fuel; v) Lodging & Meals was increased for convention attendance; and vi) \$1,200 was allocated for a new computer for the Library clerk to enable her to work on flyers, Library and Event programs, etc.

The Recreation budget included the following: i) included overtime to cover additional hours worked for Town events; ii) \$1,200 was allocated to replace her computer which was purchased in 2005; iii) \$3,800 was allocated to purchase a refurbished golf cart for in-Town travel. There was much discussion regarding this issue with the majority of Council preferring to increase the mileage reimbursement budget vs. purchasing a golf cart; iv) The education line included \$50. Councilman Bennett asked if there were any educational opportunities for recreation. Jen Lewis stated that she would be interested in taking some classes and would check regarding any opportunities; and v) In previous years, all events were included under one line item. This year, each event was separated with monies allocated accordingly.

The Code Enforcement budget included the following: i) included a new part-time position to help Jeb Brady with the many clerical responsibilities and to ensure adequate coverage of his office to allow him time to perform the numerous inspections that were required of his position. There was much discussion regarding hiring an extra person and not having enough work to keep them busy. Heather Arcos stated that some duties could be shifted and this position could assist Linda Carola with the miscellaneous things that she did. Councilwoman Natali stated that technically, with the combining of the Accounting Clerk and Utility Clerk positions, we had an available part-time position that was already budgeted this year. This position could be shifted to Code Enforcement for the next budget; ii) The Information System Services line item was reduced since the amount allocated over the last several years was not fully used; iii) The advertising amount was increased slightly to include the cost of advertising for a part-time clerk; iv) The Lot, Lawn Care Code Violations line item was increased since the budgeted amount for this fiscal year was over 50% expended and the busy months were still to come; v) The Telecommunications line item was reduced since the cost for the office phone was moved to the Town Manager's budget. The remaining amount was for personal cell phone usage reimbursement; vi) The Mileage, Gas, Tolls line item was reduced due to the decrease in out of town travel for training; vii) \$1,200 was allocated for a new computer for the new part time clerk; viii) The Vehicle & Powered Equipment Fuel was reduced to reflect the reduction in expended amounts this last year; ix) The Vehicle & Powered Equipment Supplies was reduced since the vehicle repairs were being done now by an employee in the Public Works Department; x) The Education line item was reduced to be more in line with the amounts expended over the last several years; and xi) Other Operating Supplies included level spending at \$100 but was deleted since no money was expended over the last three years.

The Town Planner budget included the following: i) The Telecommunications line item was reduced since the cost for the office phone was moved to the Town Manager's budget. The remaining amount was for personal cell phone usage reimbursement; ii) The Mileage, Gas, Tolls was increased to \$2K to include travel expenses for the Historic District Review Board (HDRB) for training; iii) The Lodging & Meals was increased to \$4K to include lodging for HDRB training; iv) The Convention & Education was increased to \$3K for HDRB training. Councilman Bennett stated that the amounts for training, travel and lodging seemed excessive and asked for a breakdown of expenses; and v) The Books & Subscriptions was increased to replace outdated planning books.

The Police Department budget included the following: i) The Contracted Personnel Interpreter was reduced based on the lower need for language assistance over the last several years; ii) The Equipment line included payments on the 2010 and 2011 Dodge Chargers. The three other vehicles were paid in full. Chief Brown stated that if the Town did not receive the USDA Grant for a new vehicle, two new vehicles would have to be purchased next year; iii) The Mileage, Gas, Tolls line was increased due to upcoming continuing education classes which was mandated by the State; iv) The Highway Safety Project Grant was reduced due to the reduced amount being requested this year under this grant; v) \$25,500 was included from the USDA Grant for the purchase of a patrol car and \$8,500 was included as the Town's 25% match; vi) \$100 was included for Dues & Associations for membership in the Virginia Police Chiefs' Association. Chief Brown recently discovered that the Town was not a member of this association and there were many benefits in membership; vii) The Vehicle & Powered Equipment Fuel was increased based on anticipated fuel usage and increased fuel costs. This would be over-budget for this year; viii) The Vehicle & Powered Equipment Supplies line was increased due to increased maintenance costs as vehicles get older; ix) \$1,250 was included for Police Dog Supplies / Expenses. The Town of Eastville was contributing \$1K toward the expense of the dog as well; x) The Education line was increased for the cost of continuing education for the officers; and xi) The Special Event Expense line was increased for extra security for special events held in Town.

The Town Clerk budget included the following: i) The Health & Dental line was increased to provide the benefit of a health savings account for the clerk who currently was not covered under the Town's health insurance; ii) The Maintenance Service Contracts line was increased to include the cost of a new copier to replace the existing copier which was purchased in 2006. The new maintenance contract included all toner and drums; iii) The Advertising line was increased to cover the increased cost of legal advertising. The cost of the budget advertisement alone was typically over \$1K; iv) The Equipment line was increased for the lease payments for the new copier; v) The Mileage, Gas, Tolls line was increased to include attendance at the 2012 VML Conference in Williamsburg as well as the Virginia Municipal Clerk's Conference in April and Institute in October; vi) The Lodging & Meals line was increased to include the attendance at the 2012 VML Conference. Heather Arcos stated that she and Libby Hume would attend the conference together to save costs; vii) The Convention & Education line was increased to include attendance at the 2012 VML Conference; viii) The Office Supplies line was increased to include the cost of the notary renewal for the Assistant Town Clerk, a new chair for the Assistant Town Clerk and the increased cost of minute books and paper; and ix) The Books & Subscriptions line was increased for the cost of Municipal Code updates and annual fee.

Councilman Bennett asked staff to check into the Workman's Comp charges because the charges between departments differed greatly and pointed out several differences as follows: i) The amount for the Town Planner over the last couple of years was over \$1,200 per year; ii) The amount for the Town Clerk was \$90 per year; iii) In 2011, the amount for the Police Department for five officers was \$4,425 which equated to \$885 per officer; iv) The amount for the Recreation Coordinator jumped from \$52 in 2010 to \$752 in 2011.

Councilman Bennett also asked how the cell phone reimbursement was determined since the reimbursement amount differed by individual. Heather Arcos stated that the amount was based on usage, plan and features on the individual's phone. Councilman Bennett stated that the reimbursement amount should be consistent for everyone and not based on their plan or type of phone.

Heather Arcos stated that, for the next work session, the budgets for the Town Manager, Finance and Public Works would be reviewed. Staff should also have the health insurance information. Heather Arcos also mentioned that she would like Council to consider possible merit increases. Revenue and Capital Projects would also be reviewed.

Councilwoman Natali asked Council to think about a possible part-time person to dedicate their time to grants adding that some grants include the salary of the administrator as part of the grant. Heather Arcos stated that much of the grant money was drying up and there were not many grants out there anymore. Heather Arcos went on to state that a project list needed to be compiled then staff could look for appropriate grants, but the Town must also be able to pay the applicable matches for the grants. There was some discussion regarding projects and possible grants and Heather Arcos stated that she would like to see something regarding Main Street Beautification.

The next Budget Work Session was scheduled for March 14, 2012 beginning at 3:00 PM.

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

Vice Mayor Bannon

Town Clerk



**DRAFT
TOWN COUNCIL**

Executive Session

Town Hall

February 22, 2012

Immediately Following Budget Work Session

At approximately 6:00 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, Town Planner Tom Bonadeo and Mr. John Burdiss.

Motion made by Councilwoman Natali, seconded by Councilman Bennett 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: Sale of Former School and Real Estate Parcels in Town

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

Vice Mayor Bannon

Town Clerk

Town Manager Report
Highlights
February 10, 2012 - March 1, 2012

Harbor Development Update:

- Bath House Project:
 - The framing has been completed and the walls and roof should be going up soon.
- Restaurant:
 - Construction is moving along and the roof is being installed.
- Town officials met with the Virginia Port Authority in Richmond on February 7th and requested \$500K forward the construction of the next phase of offshore breakwater.

Tall Ships Cape Charles:

- A Steering Committee comprised of 30+ volunteers, companies and organizations meet monthly to coordinate efforts and about 14 sub-committees had been established.
- Alliances have been formed with the Cape Charles Business Association, Bay Creek Resort, American Legion Post #56, Coast Guard Station Cape Charles, the Cape Charles Rotary, the Lions Club and the Barrier Islands Center and the group was working with the Virginia Tourism Corporation, the B&B Association, hotels and inns on "Stay & Play" visitor packages.
- To date, three ships, the Sultana, the Lynx and the Appledore V, have been confirmed for June 8 - 12, 2012 and would be offering deck tours and day sails. Each ship would be staying an extra day to offer 6-hour cruises to go alongside the Parade of Sail from the Lynnhaven Inlet in Virginia Beach toward Baltimore, MD, the next stop in the OpSail 2012 schedule.
 - The Kalmar Nyckel was also interested in coming to Cape Charles on June 14 - 19, 2012.
- Two U.S. Naval vessels had also been confirmed and a possible Coast Guard helicopter.
 - The Navy was planning a dry run with two patrol crafts for the Blessing of the Fleet weekend.
- In addition to Cape Charles, events are also being planned in Cheriton, Eastville, Exmore and Onancock.
- Dave Steward is working with Chief Brown regarding traffic and parking issues trying to make the Town as pedestrian friendly as possible. Bay Creek Resort and Bay Coast Railroad have been a huge help regarding parking locations. Shuttle service and water taxi service are being discussed.
- On June 8th, the Chesapeake Bay Bridge Tunnel was providing access to the second island from the Eastern Shore for viewing the Parade of Sail coming in. Approximately 1K people will be able to participate and five busses will be running from the Welcome Center to transport individuals to the second island. Tickets will be \$15 per person.
- Calls are coming from people living across the Bay wanting to come to Cape Charles to enjoy the festivities in a more rural environment. The new slips at the Cape Charles Harbor are sold out and Bay Creek Marina is booking up as well.

Citizens for Central Park:

- A letter was received from the Citizens for Central Park (CCP) regarding their plans for 2012. A variety of events are being planned at the park similar to previous years. They will continue to work with the Town staff and are hoping to improve and expand the slate of events to provide additional recreational opportunities for the Cape Charles citizens and visitors, as well as fundraising for continued improvements to Central Park.
- The CCP also offered the following:
 - A contribution of up to \$2K for a portable movie projection sound system for the Recreation Department.
 - Replacement of several dead memorial trees which were not covered by the contractor's warranty.

- Installation of a permanent brass marker for the Melvin Dudley Memorial Christmas Tree.
- Provide funding for the purchase of additional Christmas lighting.
- The CCP will continue to pursue grant funding for the construction of permanent restrooms.
- The CCP membership has discussed some additional improvements such as additional light poles around the trail, picnic tables, chess/checkers tables, etc.

Former Cape Charles School:

- Since the announcement of the receipt of the unsolicited proposal from Echelon Resources, Inc., for the historic rehabilitation of the former Cape Charles School building, the Mayor, Town Council and staff have received numerous emails, letters and phone calls regarding the proposed project. Unfortunately, much of the information being circulated is not entirely correct. A special public information meeting has been scheduled for Saturday, March 10th, beginning at 10:00 AM at the Cape Charles Fire Hall to update residents, former students and any other interested individuals regarding future plans for the former school building.

Budget FY2013:

- Council held their first budget work session on February 22nd and discussed capital needs by fund and department operating budgets.
- Budget work sessions have been scheduled through May.

New Wastewater Treatment Plant:

- The new wastewater treatment plant is progressing nicely and the process has begun to decommission the old plant.
- Recently, some of the Town staff took a tour of the new facilities which was very impressive.
- After completion, a ribbon-cutting ceremony, with public tours of the new facility, will be scheduled.

New Roots Youth Garden Organizational Update:

- The New Roots Youth Garden, Inc. was formed under the laws of the Commonwealth of Virginia and registered with the State Corporation Commission on December 28, 2011. On February 7, 2012, the articles of incorporation were amended to explicitly model the language provided by the Internal Revenue Service (IRS) and an application is being prepared to file with IRS to grant New Roots 501(c)3 status.
- New Roots will be scheduling an organization meeting within the next couple of months and officers and directors will be elected and the By-Laws will be adopted. Once that is done, the application to the IRS for the 501(c)3 status will be filed.
- After approval of the 501(c)3 status, a Memorandum of Agreement (MOA) between the Town and New Roots Youth Garden, Inc. will be executed. The MOA will be similar to the one executed between the Town and the Citizens for Central Park.

Spring/Summer 2012 in Cape Charles:

- The 5th Annual Blessing of the Fleet scheduled for April 13-14, 2012, kicks off the Spring/Summer season! Many fun events have been scheduled. Area businesses and organizations are reporting an increase in reservations and requests. If everything comes to fruition, it will be a very busy season this year!

Topics for Upcoming Work Sessions:

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

Recreation Report

March Council Meeting

1. Committee Updates

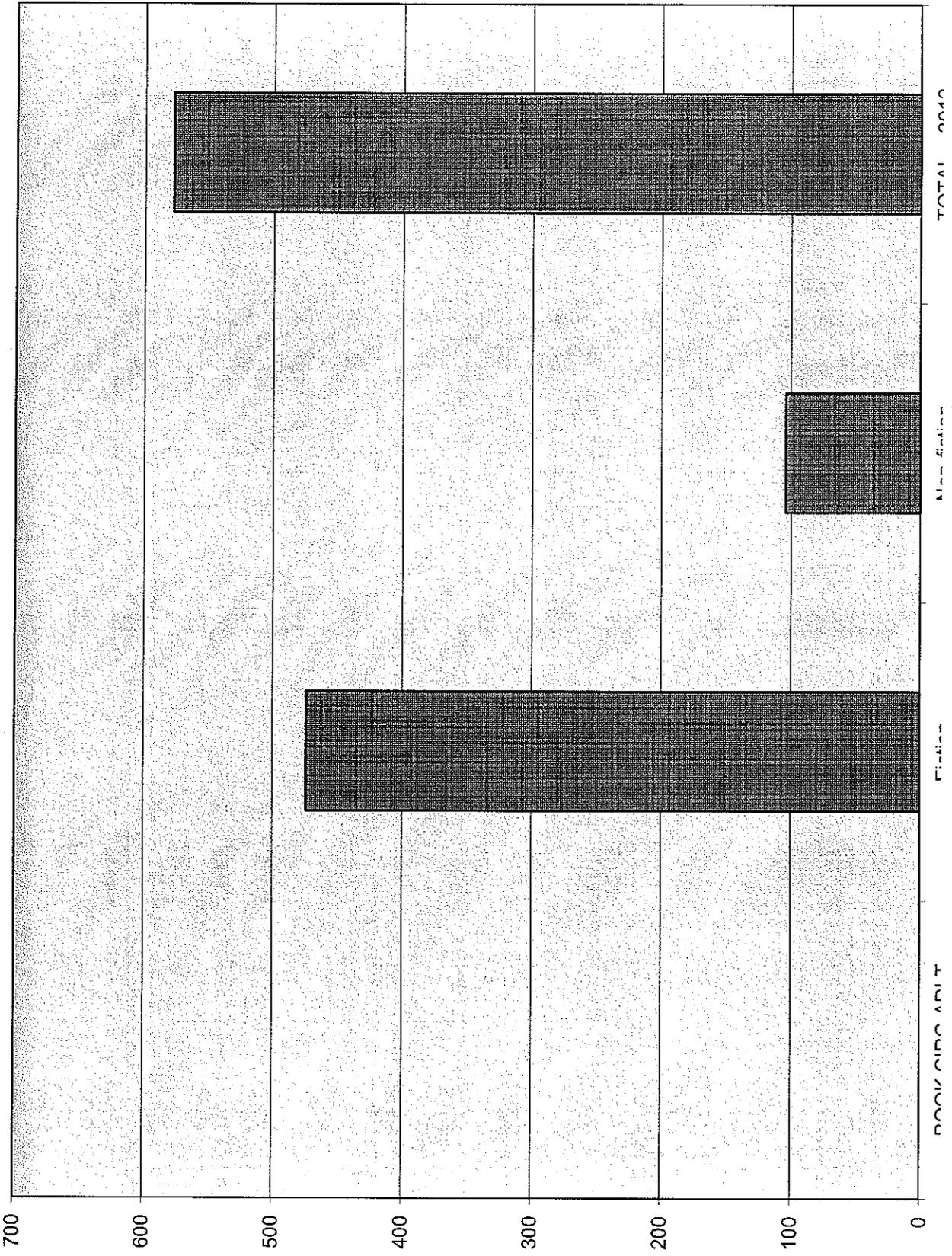
- a. The New Roots Youth Garden had its regular monthly meeting on February 13, 2012, a brainstorming session on February 6, 2012 and a committee organizational meeting on February 23. At the regular monthly meeting it was discussed that the application for the 501c3 was well underway. The new treasurer attended the meeting and the transition for her bookkeeping will begin. The next meeting will be held March 12, 2012.
- b. The Birding Festival held its normal monthly meeting on February 14. Jen did not attend this meeting. The next meeting will be held March 13, 2012.
- c. ESVA Festivals held its monthly meeting on February 6, 2012. The Board is working closely with both the birding and tall ship directors to get ready for each event. There was a special meeting called on February 27. The next meeting will be March 5, 2012.
- d. Tall Ships at Cape Charles met February 2, 2012. There has been huge progress from all subcommittees to prepare for Tall Ships at Cape Charles. An internal meeting was held on February 21 to work on parking, safety, maintenance and security issues for the festival. The next Tall Ships meeting will be March 1, 2012.

2. Activities

- a. February 11 was our annual Valentine's celebration at Aqua. Kids decorated invitations, cookies and cupcakes. The Town provided pizza and drinks. Pictures can be viewed on the Cape Charles Memorial Library Facebook Page. Thank you to Sharon Silvey for taking and sharing pictures.
- b. Our special guest at storytime this month was the Coast Guard. They came in to talk to the preschool age children about flags and the significance of the Coast Guard Flag. The Coast Guard was so impressed with the children from the Christian School they are coordinating a field trip from the school to the station.
- c. First Tee will return to Cape Charles March 12. Brandon Fitchett from the YMCA will be working with the Cape Charles Recreation Coordinator for the third session of golf.
- d. Jen Lewis will be dressed as Dr. Seuss again on March 1 to celebrate Dr. Seuss's Birthday at storytime.

Cape Charles Memorial Library
February 2012
Monthly Report Presented by Ann Rutledge

1. **Toddler/Preschool Storytime** was held on Thursday at 10:30 and a total of 38 children and caregivers attended this month. A total of 57 people attended the **Arts and Crafts** programs held on Wednesday at 4:00. Special guests for the February 23 storytime, were Daniel Eisehard and Chris Schadt from the Coast Guard.
2. On February 13 the library presented the program **Identity Theft, Telephone Fraud & Mail Fraud** by Deputy Nick Braatz of the Northampton County Sheriff Department.
3. The displays for the month of **February** featured books for children and adults celebrating **Black History Month**. The last week of the month we had a display honoring the birthday of **Dr. Seuss**, which is March 2.
4. The Friends of the Library received a generous monetary award from the 16th Annual Holiday Progressive Dinner tour to support the library on Friday night, February 24.
5. For additional information about library programs and library related information check out the Cape Charles Memorial Library's **Facebook** page!



Harbor Report

February, 2012.

Maintenance

1. Repaired a portion of dock that got damaged last fall during Hurricane Irene.

Upcoming, Scheduled Maintenance

1. Replace water valves on CG Dock (will do when water is shut off)
2. Replace the lost signage on the breakwaters, (Three are Missing)

Capital Projects:

1. Infiltration Trench is complete. Grass will be planted next week.
2. Board Walk is about 90% complete
3. Wall framing is in place.
4. Restaurant- started pouring floor slab this week.
5. Somerset & Cox – replaced the pedestal that was damaged and Drewer electrical (Eaton Corp. Approved) re-inspected all pedestals. All were found to be good except three needed to be re-taped which Cox did on site. Cox will be back next week to foam fill all of the pedestals to separate the water from the electric.
6. We should begin the parking area next week with that being completed by sometime in April.

Other:

1. Harbor will re-open on weekends Mid March.
2. Follow us on Face Book (**Cape Charles Town Harbor**)
3. Water is now turned back on.

Incidents: None

Notes:

5th Annual Blessing of the Fleet, Begins on April 13th, 2012 @ 5:30 pm. 2-170ft Navy Patrol Cruisers are expected to Attend.

Pirates and Wenches Ball – April 14th

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

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 February, 2012.

Business:

Average docking per day/night by category:

	<u>Rentals</u>	<u>February</u>	<u>January</u>	<u>11/12</u>	<u>10/11</u>
1. Nightly:		0.1	0.1	2.5	1.6
2. Weekly:		4.3	0.5	4.0	7.0
3. Month/Quart:		2.0	1.6	1.8	8.1
4. Seasonal:		1.0	0.0	7.9	7.1
5. Annual:		40.0	42.0	43.9	32.8
6. Total Rentals,		48.4	44.2	60.1	57.8

Wharf Fees by Pounds:

	<u>February</u>	<u>January</u>	<u>11/12</u>	<u>10/11</u>
1. Crabs:	0	0	302,310	1,419,795
2. Fish:	45,522	0	261,624	534,616
3. Conchs:	0	0	31,655	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:	45,522	0	600,885	3,239,888.5

<u>Waiting List:</u>	<u>1/31</u>	<u>Registered</u>	<u>Removed</u>	<u>2/29</u>
1. 60ft Slips:	2	0	0	2
2. 50ft Slips:	2	0	0	2
3. 45ft Slips:	9	1	0	10
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	69	0	0	70

William Smith Dize Jr.
Harbor Master
March 1, 2012

PUBLIC WORKS

February 2012

Dump Fees

- **Oyster Landfill:** 4 trips, \$103.95; 1.6 Tons
- **Sludge-** 0
- **Work Orders Completed:**
- **Work Orders Open:**

Staff Report

- The water and waste water plant were visited by an OSHA inspector and received high marks. We are waiting for his official report.

Completed Projects

- A new French drain system in the south east quad of central park is installed to a depth of about 15-25 feet.

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 engineer's report.

Upcoming Projects

- Repairs to old school and Pine Street Pump Station. Possible FEMA assistance for earth quake damages.

PUBLIC UTILITIES

February 2012

Work Orders Completed

- Miss Utility Tickets: 19

Staff Report

- Training at New WWTP is continuing.

Completed Projects

- Laboratory Quality Assurance Manager review completed for the WWTP Lab and submitted to the Division of Consolidated Laboratory Services (DCLS) of the Virginia Department of General Services (DGS), for the Virginia Environmental Laboratory Accreditation Program (VELAP).
- The Director's review of the WWTP Lab was conducted and submitted to VELAP.

New WWTP

- The new waste water treatment plant is 99% complete.
- All flow from old town is being directed to the new plant. The old plant is receiving only flow from Baycreek.

Mason Ave Force Main

- Project is 99% complete. Flow from the Fig Street Pump Station is routed directly to the New WWTP. Flow from the Mason Avenue Pump Station is being split at this time between the old plant and the new. The remaining item for JCB

In Progress

- Collecting flow data looking for sources of inflow and infiltration in the Plum Street Pump Station Basin sewer mains. Current flow meter location is at the intersection of Harbor and Tazewell (MH 27).
- Replacing 100 Water Meters in Town. (70% Complete)
- Receiving bids for the new control panel at the water plant.
- Receiving bids for new media in the softener at the water plant.
- Engineering for connection to Keck Wells. Task order has been signed with GHD to prepare a Preliminary Engineering Report (PER).
- Rerouting waste water from water plant backwash to complete drain down of the polishing pond for decommissioning.
- Smoke testing on sewer lines throughout old town. Also inspecting roof gutter systems for possible connections to the sewer system and basements for possible sump pump connections to the system.
Plum Street and Washington Street pump station basins are complete. Mason Avenue and Pine Street basins left.

Upcoming Projects

- Draw down and yield testing on Keck Wells for DEQ. (April)
- Connection to Keck Wells out to bid (Fall 2012)
- Closed circuit TV inspection of sewer lines. (April)

Code Enforcement

Month of February FY 2012

Building Permits Issued/Permit Fees Collected:

Permits this month: 16	
Permits this year: 145	Total permits last year: 200
Total construction this month: \$ 302,495	
Total construction this year: \$4,267,820	Total construction last fiscal year: \$3,967,519
Permit fees this month: \$2,569.84	
Total permit fees this fiscal year: \$30,970.89	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: \$229.45	
Total Fire Dept. levies this year: \$2,640.28	Total Fire Dept. levies last fiscal year: \$3,282.54
State levy this month: \$45.89	
Total state levies this year: \$528.07	Total state levies last fiscal year: \$664.67
Miscellaneous Revenue: \$0	

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: \$0	
Enforcement fees collected this year: \$3,808.94	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 February FY12

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

Hours spent working on project this month: 12

Key Notes:

- Contractor working on drainage issues on South Side of Park
- Fountain leaking issues have come up again and Public Works is working with contractor get them fixed. Pump is being tested and all lines are being tested for clogging.

Other items of note:

1. Completed 45 inspections
2. Conducted 2 zoning clearances
3. Completed 2 courtesy residential inspections
4. Conducted 6 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 stalled and a new contractor is to start shortly. The deadline of April has not been extended.
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 Manager has received letter from owners asking about possible funding opportunities. Town Manager is drafting a letter to address request.
12. Planning Department and Code Enforcement met with Bay Creek and has received a Site Plan and Erosion & Sedimentation Plan.
13. Continued inspections on the Harbor Bath House.
14. Continued inspections on the Harbor Restaurant.
15. Continued inspections on Storm water measures for West Dock improvements.

Permit/Construction Fee Report			Feb-12			
Address	Type	Permit #	Date	Work Description	Permit Fee	Value
110 Blue Heaven Road	Electrical	PE120007	2/6/2012	Adding subfed panel & 3 circuits	\$56.00	\$750
10 Madison Avenue	Mechanical	PM120002	2/22/2012	New Mechanical	\$86.80	\$8,000
23 Marina Road	Electrical	PE120009	2/7/2012	2 New circuits for lighting	\$0.00	\$2,500
23 Marina Road	Plumbing	PP120003	2/13/2012	New Plumbing for bath house	\$0.00	\$40,000
23 Marina Road	Gas	PG120001	2/13/2012	New gas piping for water heaters	\$0.00	\$698
33 Marina Road	Electrical	PE120008	2/7/2012	New 200 amp service for restaurant	\$252.00	\$15,000
33 Marina Road	Plumbing	PP120004	2/13/2012	New plumbing for restaurant	\$403.20	\$31,000
33 Marina Road	Gas	PG120002	2/13/2012	New gas piping for water heater	\$84.00	\$947
239 Mason Avenue	Building	PB120009	2/2/2012	Change of Use from R-1 to B	\$84.00	\$100
635 Mason Avenue	Building	PB120013	2/27/2012	Res alt per app	\$59.92	\$3,200
217 Peach Street	Building	PB120012	2/23/2012	Exterior Alteration	\$196.00	\$20,000
6 Tazewell Avenue	Plumbing	PP120006	2/17/2012	New on-site sewer line	\$56.00	\$2,100
113 Tazewell Avenue	Plumbing	PP120005	2/15/2012	New plumbing for alteration & addition	\$166.32	\$14,700
403 Tazewell Avenue	Building	PB120011	2/14/2012	Porch Repair	\$61.60	\$3,500
409 Tazewell Avenue	Building	PB120014	2/29/2012	Residential Exterior & Interior Alteration	\$912.80	\$148,000
654 Tazewell Avenue	Building	PB120010	2/14/2012	Tear off/reroof	\$151.20	\$12,000

Totals

\$2,569.84 \$302,495

MONTHLY INSPECTION TOTALS

	David Fauber	
	Framing	02/02/2012
	Insulation	02/02/2012
	Insulation	02/02/2012
Total		3
	Jeb Brady	
	Framing	02/07/2012
	Rough-In	02/07/2012
	Footing	02/08/2012
Total		3
	David Fauber	
	Framing (Landing	02/08/2012
Total		1
	Jeb Brady	
	Footing	02/09/2012
	Rough-In	02/10/2012
	Framing	02/10/2012
	Rough-In	02/13/2012
	Insulation	02/14/2012
	Framing	02/14/2012
	Insulation	02/14/2012
	Slab Electrical	02/16/2012
	Rough-In Under S	02/16/2012
	Courtesy	02/16/2012
	Final	02/17/2012
	Rough-In	02/17/2012
	Rough-In	02/17/2012
	CUT-IN	02/17/2012
	Rough-In Under S	02/21/2012
	Rough-In	02/21/2012
	Slab	02/21/2012
	Sheathing	02/23/2012
	COURTESY	02/23/2012
	Footing	02/23/2012
	Final	02/23/2012
	Final	02/23/2012
	Sheathing	02/24/2012
	Final	02/24/2012
	Final	02/24/2012

MONTHLY INSPECTION TOTALS

Final	02/24/2012
Final	02/24/2012
Rough-In Under S	02/24/2012
COURTESY	02/27/2012
Box Out	02/27/2012
Foundation	02/27/2012
Footing	02/28/2012
Slab	02/29/2012

Total	38
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Grand Total	45
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InsDateCompleted Range from
02/01/2012 to 02/29/2012

Revenue Totals by Category/Items

From: 02/01/2012 to: 02/29/2012

Miscellaneous		
Fire Dept Fee	13	\$229.45
Miscellaneous totals	13	\$229.45
State Tax		
STATE TAX.	13	\$45.89
State Tax totals	13	\$45.89
Valuation		
Com \$0 - \$2.5K	1	\$75.00
comm > \$10k	1	\$225.00
Valuation Com 2.5K >	1	\$360.00
Valuation Com \$0-\$2.5K	1	\$75.00
Valuation Res \$0 - \$2.5K	1	\$50.00
Valuation Res \$0-\$2.5K	1	\$50.00
Valuation Res \$2.5K - 10K	3	\$186.00
Valuation Res > \$10K	4	\$1,273.50
Valuation totals	13	\$2,294.50
Grand Totals	39	\$2,569.84

Planning Commission Report for Town Council

From: Tom Bonadeo
To: Town Council
Date: March 8, 2012
Subject: Report for Planning Department

Planning Commission Meeting – March 6

1. The Planning Commission held its regular monthly meeting Tuesday March 6.
2. The Commission also worked on the continued improvement of the sign ordinance.
3. The Planning Commission also reviewed the request for Adaptive Reuse (CUP) Permit and rezoning of the old high school parcel. The objective of this action is to provide for the Historic Restoration of the building in accordance with the Secretary of the Interior's Guidelines. At least two earlier studies priced renovation at \$1.6 million back in 1998 and \$4 million in 2006. The building continues to be a liability and would require between \$2 million and \$3 million dollars to refurbish as a community building. If this were financed with 20 year bonds a 14% to 20% increase in real estate tax would be required to cover the annual cost, plus operational costs.
4. The Planner is working on:
 - a. The Design-Build Project for the Harbor Bathhouse. The contractor, Boytos & Boytos, has begun framing the building. Plumbing and electrical connections have been established.
 - b. Zoning compliance reviews and enforcements.
 - c. Beach planning for spring work is underway. We were approved by FEMA for beach replenishment. This will cover about \$35,000 in beach nourishment.
 - d. Adaptive reuse projects for Historic structures
 - e. Plans for Route 184 and Route 13 landscaping with VDOT have been submitted for a third time. The property on the north side of Route 184 is now found to be leased to a farmer and the lease is not over until this September.
5. The Broadband Circuits have been ordered to connect 2 Plum Street and the computer lab to the network. The circuit is being connected on Tuesday, February 28, 2012. A plan is being reviewed for connection to the Harbor for administrative purposes and for transient boaters using the slips. Eastern Shore Wireless has had some problems with their test. They have been delays by a few weeks but are now on track. The community lab is also being scheduled for connection.
6. The restaurant building at the Harbor has the walls and roof up. There have been some minor delays in the final roof being completed but those have been worked out. The roof should be completed by the time of the Council meeting.
7. The new Sinclair Tower is has been erected. AT&T equipment has been installed on the top of the tower and the bridge connection from the tower to the equipment shed is in progress. Verizon should follow shortly.

Historic District Review Board Meeting – Met February 21

The Review Board heard two requests. The first request was for a small addition to a home on Monroe and the second request was for the remodeling of the house at the south entrance to the park on Peach Street. Work had been started without proper permits or review and a Stop Work order was issued earlier. The two application were approved with the requirement that the Peach Street applicant submit a plan for rebuilding the porch that was torn down without approval or permit.

Wetlands Board Meeting – Met February 29

The Wetlands Board met to review two Joint Permit Applications (JPA). The first application was for Bay Vistas Subdivision and Sea Breeze. This application is to install an alternative offshore breakwater system known as a Wave Attenuation Device (WADs). In addition to the WADs beach nourishment and upland restoration was proposed. The second application is for Gamesa Energy to install a submarine cable from a wind turbine and enter the shoreline on the railroad property.



TOWN OF
CAPE CHARLES

AGENDA TITLE:
Cape Charles Police Department

AGENDA DATE
MARCH 8, 2012

SUBJECT/PROPOSAL/REQUEST: FEBRUARY 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: 37

Calls for Service Outside of Cape Charles: 17

10-13 Calls 00

(A) By Dispatch: 54

(B) By Phone via Officer/Trooper: 00

(C) In Person 00

Felony Arrests: 00

Misdemeanor Arrests: 01

DUI Arrests: 00

Traffic Summons Issued: 09

Traffic Warnings Issued: 04

Parking Tickets Issued: 00

Assisted Northampton County Sheriff's Office: 13

Assisted Virginia State Police: 00

Assisted Other Local Police: 00

Assisted Other Federal Agencies 00

Assisted Fire & Rescue: 00

Assisted VDOT:

Hours of Training Received & What Type? 16 hours behavioral recognition
66 hours in-service training

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Wastewater Treatment Plant (WWTP) Status		AGENDA DATE: March 8, 2012
	SUBJECT/PROPOSAL/REQUEST: Update on construction.		ITEM NUMBER: 6A
	ATTACHMENTS: WWTP transition plan, updated.		FOR COUNCIL: Action () Information (X)
	STAFF CONTACT(s): Bob Panek	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Town awarded a \$14.7M contract for construction of the new WWTP to W.M. Schlosser Company in September 2009. Three change orders have been executed: \$164K for over-excavation of unsuitable material; \$177K for modifications to enable effluent reuse; \$34K for miscellaneous items. These change orders bring the contract value to \$15.1M. The total project is estimated at \$19.2M, including design, engineering, construction management and inspection. We are funding the project as follows:

1. \$6.0M - Virginia Clean Water Revolving Loan Fund (VCWRLF) principal forgiveness loan (equivalent of a grant), underwritten by the American Recovery and Reinvestment Act (ARRA) of 2009 (Federal stimulus).
2. \$8.0M - Water Quality Improvement Fund (WQIF) grant.
3. \$5.2M - VCWRLF zero-interest loan.

DISCUSSION:

As of the February 2012 progress meeting, construction is about 200 days behind schedule. We are about 110% into the length of the contract. Details of construction progress are contained in the Public Utilities report. Wastewater treatment began on January 24. Over two thirds of the flow is going to the new plant and we have recently brought the second bio-reactor on line. Full flow to the new plant should occur by mid-March. We have submitted the Statement of Completion of Construction to DEQ and they plan to issue the Certificate to Operate around April 1. The updated schedule for transition to the new plant and demolition of the old plant is attached. After demolition, the polishing pond will be drained and closed.

We have had one introductory fraud prevention visit from the U.S. Environmental Protection Agency (EPA) Inspector General's office, and ARRA compliance inspections by both the DEQ and the EPA. We are continuing to enforce the requirements of the ARRA.

We have had eleven interim project evaluations by DEQ. No significant issues have been raised.

Several wage determinations have been requested from the U.S. Department of Labor under the Davis – Bacon Act and have been approved.

About \$13.6M has been billed to date, all of which has been reimbursed from WQIF and VCWRLF. This is about 90% of the contract value. An additional change order of about \$44K for miscellaneous items is also in process.

RECOMMENDATION:

Provided for information only.

February 28, 2012

Transition
New WWTP Start Up
Old WWTP Demolition

- Jan. 7, Saturday – Advertise IFB for demolition.
- Jan. 17, Tuesday – WMS construction progress meeting.
- Jan. 23, Monday – Deliver sludge to seed bio-reactors.
- Jan. 23, Monday – Demolition bids due.
- Jan. 24, Tuesday – Start up new WWTP bio-reactor train #1.
- Feb. 9, Thursday – Award demolition contract at Town Council Meeting.
- Feb.24, Friday – Start up new WWTP bio-reactor train #2.
- Mar. 19, Monday – JCB connects 6” force main to Manhole #2. All flow to new WWTP.
- Mar. 19, Monday – Shut down old WWTP, begin decanting and cleaning of tanks and piping.
- Mar. 30, Friday – Complete cleaning of tanks and piping.
- Apr. 2, Monday – Notice to Proceed with demolition.
- May 11, Friday – Complete demolition.



TOWN OF
CAPE CHARLES

AGENDA TITLE: Public Service Authority (PSA) & Regional Wastewater System.

AGENDA DATE:
March 8, 2012

SUBJECT/PROPOSAL/REQUEST: Provide an update on the PSA and potential regional wastewater system.

ITEM NUMBER:
6B

ATTACHMENTS: PSA presentation to Board of Supervisors.

FOR COUNCIL:
Action ()
Information (X)

STAFF CONTACT (s):
Bob Panek

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

On June 28, 2010, the four participating Towns and the County adopted ordinances approving the joinder of the Towns to the existing, but dormant, Eastern Shore of Virginia PSA. The State Corporation Commission approved the revised charter, ten new Board Members were sworn in, and the PSA has been meeting monthly since August 2010. The PSA has assumed responsibility for the Northern and Southern Node projects initiated by the Towns and County Utilities Project Management Team under Department of Housing & Community Development planning grants.

DISCUSSION:

The revision of the Southern Node (Cape Charles & Cheriton) Preliminary Engineering Report (PER) has been on hold. The PSA surveyed about 300 residential and commercial properties outside the boundaries of Cheriton and held an additional community meeting to gauge interest. The consulting engineering firm completed an analysis that indicates that the grant/loan ratio would be more favorable if the initial service area was confined to Cheriton. At their January 2012 meeting, the Cheriton Town Council passed a resolution to consider a mandatory connection ordinance at the usage rate specified by USDA Rural Development (RD). The PSA recommended to the Board of Supervisors (BOS) that no county areas be included. The PER will now be revised.

The PER for the first phase of the Northern Node, Exmore and the Nassawadox medical community, has been completed. This project will cost about \$11.3 million. The PSA's FY 2012 financial assistance application has been approved by the State Water Control Board: \$4.0 million, 0% interest, 30 year term. The balance of the project cost must be provided by grants and private capital contributions. The PSA recommended to the BOS that they agree to a moral obligation bond to underwrite the loan and to allocate the County's capacity for a CDBG grant application to the PSA. The BOS passed resolutions in support of this. The PSA's presentation to the BOS is attached.

Both projects are dependent upon significant amounts of grant funding to yield affordable service rates. Representatives of the PSA and ANPDC will meet with USDA RD, the Virginia Department of Housing and Community Development, and Department of Environmental Quality on March 14 to discuss a coordinated approach to grant/loan packages for the Northern Node.

The number of required county appointees to the PSA Board has been reduced from six to five as a result of redistricting; total membership is now 9 instead of 10. The BOS has appointed one new member, leaving one county vacancy.

RECOMMENDATION:

Provided for information only.

ESVAPSA
Regional Wastewater System

Northampton County

Board of Supervisors

Work Session – Jan. 23, 2012

Northern and Southern Node Projects

- Preliminary Engineering Reports done.
- Northern Node - \$11.3M, 421 Equivalent Residential Connections (ERCs), 65/35 grant/loan ratio (\$7.3/\$4.0).
- Southern Node - \$11.9M, 753 ERCs, 71/29 grant loan ratio (\$8.4/\$3.5).
- Both heavily dependent on grants and full customer participation to achieve an affordable service rate. (Presuming maximum user rate of \$42/month)

Northern Node Status

- State Water Control Board approved \$4.0M, 0% interest, 30 yr loan.
- \$7.3M of grants needed.
- Discussions with Riverside on capital contribution based on percentage flow.
- Balance from USDA and DHCD (CDBG).
- PSA intends to apply to USDA.
- PSA is not an eligible entity for DHCD funds but the County can apply on behalf of PSA for these funds. Applications are due March 1.

BOS Commitment Needed

- Dedicate maximum CDBG project capacity; approximately \$1.8M.
- Commit to apply for CDBG funds (would request assistance from ANPDC to assist in preparing application)
- Mandatory connection ordinance for any of the county areas in the Northern Node area.
- Moral obligation bond to underwrite loan from State Water Control Board.
- Letter of support for application(s) submitted by PSA to USDA.

Southern Node Status

- State Water Control Board approved loan only, no grant. The County declined loan but indicated a future request for this project would be submitted for consideration.
- Fairview citizens petitioned to be removed from new service area.
- USDA and DHCD applications put on hold.
- Additional engagement of County areas.
- Residential generally against.
- Significant commercial interest.

Reexamination of Southern Node Service Area

- Cost analysis of service area options at USDA minimum rate with **100%** hook up:

	Capital Cost	ERC	Cost/ERC	Grant/Loan	Annual D/S	Annual O&M	Rate
PER	\$11.9M	753	\$15K	71/29	\$228K	\$177K	\$42
w/o Fairview	\$10.8M	597	\$18K	86/14	\$125K	\$161K	\$42
Cheriton	\$7.5M	341	\$22K	82/18	\$ 88K	\$ 84K	\$42

Way Ahead

- Recommend BOS concur with “Cheriton only” service area.
- Revise PER; plan for financial assistance applications.
- PSA continue to work with commercial interests for US 13/SR 184 service area.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Technology Zone		AGENDA DATE: March 9, 2012
	SUBJECT/PROPOSAL/REQUEST: Review public comment on the Technology Zone Ordinance		ITEM NUMBER: 6C
	ATTACHMENTS Final draft ordinance #20120308		FOR COUNCIL: Action (x) Information ()
	STAFF CONTACT (s): Tom Bonadeo – Libby Hume	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Town Council and staff reviewed Technology Zone Ordinances from around the state and selected appropriate features for the Town of Cape Charles. At the last Council meeting the staff presented the final draft and has made the change from 100% to 50% grant for the Facility and Connection Fee.

DISCUSSION:

The Technology Zone Ordinance definitions have been reviewed by counsel and modified to include technologies other than pure computing but still to conform the general description of the state code. We also have a statement that includes any definition used by any other technology zones in the state.

The number of employees and quantity of investments has been adjusted per Council's request from the previous work sessions. Legal Counsel recommended the use of a Qualified Approval Letter rather than a contract and the ordinance is adjusted to reflect that suggestion. The "violation" section was strengthened.

The grant amount is also more strictly regulated by percentage relative to the amount of investment and/or jobs created. The statement "increase proportionately" was added to the ordinance. This means that if a business invests half of the required maximum amount they get half of the maximum grant. The grant amount was reduced to 50% for Facility and Connection Fee.

RECOMMENDATION:

Review the final draft and consider the public comment and adopt Ordinance #20120308 - Technology Zone Ordinance by roll call vote.

ORDINANCE NO.: 20120308

**TO ADD CAPE CHARLES TOWN CODE SECTIONS
23-1 THROUGH 23-7 – TECHNOLOGY ZONE ORDINANCE**

WHEREAS, Section 58.1-3850 of the Code of Virginia allows for the establishment of local technology zones;

WHEREAS, a locality may grant tax incentives, for up to ten years, and provide certain regulatory flexibility in a technology zone;

WHEREAS, the Town Council of the Town of Cape Charles desires to enhance the expansion of commercial, tourist and industrial businesses engaged in the development and implementation of technology to benefit the Town as a whole;

THEREFORE, BE IT ORDAINED by the Town Council of the Town of Cape Charles this 8th day of March, 2012 that:

Sections 23-1 through 23-7 of the Cape Charles Town Code be added as follows:

Chapter 23. -Technology Zone

Sec. 23-1. Purpose

The Town Council finds that the creation of a local technology zone, with incentives for growth, as authorized by Section 58.1-3850 of the *Code of Virginia*, 1950, as amended, will foster the Town's development, maintenance and expansion of commercial, tourist and industrial businesses engaged in the development and implementation of technology, all of which would benefit the citizens of the Town.

Sec. 23-2. Administration

This Chapter shall be administered by the Town Manager or his or her designee (the "Administrator"). The Administrator shall be responsible for determining if a business qualifies as a Qualified Technology Manufacturing Business or a Qualified Non-Manufacturing Applied Technology Business, and shall determine and publish the procedures for obtaining the benefits created by this Chapter.

Sec. 23-3. Boundary Area

The entire area of the Town of Cape Charles is designated a Technology Zone pursuant to Section 58.1-3850 of the *Code of Virginia*, 1950, as amended.

Sec. 23-4. Definitions

Economic Stimulus Grants means the incentive grants payable to a Qualified Technology Manufacturing Business or a Qualified Non-Manufacturing Applied Technology Business as provided in Section 23-6 of this Chapter.

Existing Business means a corporation, partnership, limited liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia, located in and actively engaged in the conduct of trade or business in the Town prior to the adoption of this Chapter.

Full time job means a job that is to be performed by a worker for an average of at least 35 hours per week for a minimum of one year, with reasonable allowances for holidays and vacations.

New Business means a corporation, partnership, limited liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia not previously located in the Town that begins actively conducting business after the adoption of this Chapter.

Qualified Business means either a Qualified Non-manufacturing Applied Technology Business or a Qualified Technology Manufacturing Business.

Qualified Non-manufacturing Applied Technology Business means a New or Existing Business that has met the applicable qualifications set forth in Section 23-5 of this Chapter and that is engaged in the research, application, upgrading, repair or installation of computer hardware or software or other high-technology equipment in any business or research sector including but not limited to transportation, food production, and marine technology or any other similar activity deemed appropriate for a technology zone as defined in another jurisdiction of the Commonwealth, and found as such by the Administrator.

Qualified Technology Manufacturing Business means a New or Existing Business that has met the applicable qualifications set forth in Section 23-5 of this Chapter and that is engaged in technology-driven production of advanced materials or products for high-technology sectors or fields, including, but not limited to, robotics, computer hardware and software, sensors, marine technology, aerospace, or any other similar activity which is deemed appropriate for a technology zone as defined in another jurisdiction of the Commonwealth, and as found as such by the Administrator.

Sec. 23-5. Qualifications

1. Manufacturing. To be eligible for Economic Stimulus Grants, a Qualified Technology Manufacturing Business must:
 - a. Create and maintain a minimum of 5 new full time jobs which are each compensated at one and one half times the wage rate of the currently-defined federal minimum wage.
 - b. Make a new verified capital investment of no less than \$250,000.00 in a building, building improvements, and/or in machinery and tools. A capital investment does not include the cost to acquire real property.
2. Non-manufacturing. To be eligible for Economic Stimulus Grants, a Qualified Non-manufacturing Applied Technology Business must:
 - a. Create and maintain a minimum of 3 new full time jobs which are each compensated at one and one half times the wage rate of the currently-defined federal minimum wage.
 - b. Make a new verified capital investment of no less than \$100,000.00 in a building, building improvements, and/or in machinery and tools. A capital investment does not include the cost to acquire real property.
3. Mere use of computers or technology in the course of an otherwise low-technology or traditional business shall not qualify a business as a Qualified Business.

Sec. 23-6. Economic Stimulus Grants and Enforcement

1. A Qualified Technology Manufacturing Business shall be eligible to receive the following Economic Stimulus Grants:

- a. A grant equal to 25% of the new or increased machinery and tools tax paid to the Town with a verified capital investment of \$250,000.00 that shall increase proportionately up to 100% with a capital investment of \$1,000,000.00 or more.
 - b. A grant of up to 100% of the amount of the net increase in Real Estate Tax paid to the Town.
 - c. A grant of up to 100% of the amount of BPOL Tax paid to the Town.
 - d. For a Qualified Technology Manufacturing Business that maintains at least 25 full time jobs, a grant of up to 50% of the Facility and Connection fees paid to the Town.
 - e. A grant of up to 100% of the Building Permit fee paid to the Town.
2. A Qualified Non-manufacturing Applied Technology Business shall be eligible to receive the following Economic Stimulus Grants:
- a. A grant equal to 25% of the new or increased machinery and tools tax paid to the Town with a verified capital investment of \$100,000.00 that shall increase proportionately up to 100% with a capital investment of \$1,000,000.00 or more.
 - b. A grant of up to 100% of the amount of the net increase in real estate tax paid to the Town.
 - c. A grant of up to 100% of the amount of BPOL tax paid to the Town.
 - d. For a Qualified Non-manufacturing Applied Technology Business that maintains at least 15 full time jobs, a grant of up to 50% of the Facility and Connection fees paid to the Town.
 - e. A grant of up to 100% of the Building Permit fee paid to the Town.
3. The types and amounts of the Economic Stimulus Grants shall be based on the factors that the Town deems relevant, including without limitation the type of business conducted by the Qualified Business and amount of verified capital investment and the number of full time jobs created by the Qualified Business. The types and amounts of Economic Stimulus Grants awarded to a Qualified Business shall be initially determined by the Administrator, subject to approval by the Town Council.
4. No taxes, fees, or other charges shall be deemed waived by this Chapter. All such taxes, fees, and charges shall be paid by the Qualified Business in full as and when due. Economic Stimulus Grants described in subparts (a), (b), and (c) of subsections (1) and (2) above that are awarded to a Qualified Business shall be paid annually, in arrears, for each year that the Qualified Business meets all eligibility criteria up to a maximum of 5 years. If a Qualified Business fails to meet all eligibility criteria in any given year, the Economic Stimulus Grants for that year and all future years shall be forfeited. Economic Stimulus Grants described in subparts (d) and (e) of subsections (1) and (2) above that are awarded to a Qualified Business shall be paid upon

verification by the Administrator of the completion of construction of the improvements to which the applicable Facility and Connection fees and/or Building Permit fees relate.

5. As a condition to receiving an Economic Stimulus Grant, a Qualified Business agrees to provide such information and allow such inspections as the Town deems reasonably necessary to verify the eligibility criteria and to ensure the Qualified Business's ongoing compliance therewith.
6. Notwithstanding anything to the contrary in this Chapter:
 - a. An otherwise Qualified Business shall lose its eligibility for Economic Stimulus Grants, and shall repay any previously awarded Economic Stimulus Grants, upon any of the following:
 - i. A violation by such business or, to the extent related to the operation of the business, by any of its principals or officers, of any statute, regulation, or order of the United States or the Commonwealth of Virginia or any department or agency thereof; or
 - ii. A violation of any Town ordinance that continues beyond the applicable cure period or, if none, a period of 10 days.
 - b. All Economic Stimulus Grants are subject to the appropriation requirements of the Commonwealth of Virginia and the Town.
7. The Town will issue a Qualified Approval Letter which will specify the amount of the verified capital investment, the number of full time jobs created, the amount of the Economic Stimulus Grant(s), the eligibility criteria for receiving the Economic Stimulus Grant(s), the procedures for verifying compliance therewith, and such other terms as may be appropriate.

Sec. 23-7 Non-Waiver

Unless expressly stated herein, this Chapter shall not be construed to waive the requirement of any ordinances, regulations, and policies that require permits and approvals for land use, construction, and business operation. Additionally, unless stated otherwise herein, nothing in this chapter shall be construed as waiving the right of the Town to enforce its ordinances, regulations, or policies or to collect taxes, fees, fines, penalties, or interest imposed by law or by ordinance.

Adopted by the Town Council of Cape Charles on this 8th day of March, 2012.

Mayor Dora Sullivan

ATTEST:

Town Clerk

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Adaptive Reuse		AGENDA DATE: March 9, 2012
	SUBJECT/PROPOSAL/REQUEST: Add adaptive reuse language to the R-1 ordinance		ITEM NUMBER: 6D
	ATTACHMENTS: Draft text change to zoning ordinance		FOR COUNCIL: Action (x) Information ()
	STAFF CONTACT (s): Tom Bonadeo, Town Planner	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Planning Commission has developed a text change to the R-1 zoning ordinance for the Adaptive Reuse of contributing Historic Structures and structures over 50 years old. A structure over 50 years old may be eligible for "Historic" status independent of another National Historic District.

The change would have the following effects:

1. Buildings that were built for a specific use other than R-1, such as churches, schools, offices and other businesses, could be considered for other uses than single family residential.
2. The adaptive reuse would be a modification of an existing permitted, accessory or conditional use in a form not generally allowed in the zone.
3. These would be required to follow the other requirements of the ordinance such a parking and landscaping.
4. This uses must be compatible with the existing uses and would be considered on a case by case basis using the Conditional Use (CUP) process.
5. The reuse would save historic buildings, preserve the existing fabric of the district (old buildings that didn't qualify for the National Historic District) and make use of the Tax Credits and other incentives that are not readily available to the residential owner or public entity.

DISCUSSION:

The attached modification to the ordinance was reviewed and approved at the last Planning Commission meeting and Joint Public Hearing was held March 7, 2012 with Planning Commission.

RECOMMENDATION

Review the public comment and approve the text change for adaptive reuse.

Adaptive Reuse

Text Addition to the R-1 Zone, Section III of the Zoning Ordinance

Section 3.2.C.7

7. Adaptive Reuse of existing structure is a new use different than the intended use for which the structure was originally constructed. The Reuse is generally a permitted, accessory or conditional use with an adaptation such as density or size that is greater than the ordinance allows.

The Reuse would require a conditional use permit (CUP). The following additional requirements must also be met:

1. The use must be compatible with the permitted uses in the zone.
2. The Reuse plan must meet the table of parking and landscaping standards (unlike reuse in the C-1 Zone where parking requirements are on a case by case basis).
3. Replacement and new utility services shall be placed underground.
4. The structure shall be a contributing structure to the Cape Charles National Historic District or at least 50 years old and the exterior of the structure must be restored in accordance with the Cape Charles Historic District Guidelines.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Grounds Maintenance Service Contract Extension		AGENDA DATE: March 8, 2012
	SUBJECT/PROPOSAL/REQUEST: One-year extension for the Grounds Maintenance Services contract		ITEM NUMBER: 7A
	ATTACHMENTS: None		FOR COUNCIL: Action <input checked="" type="checkbox"/> (X) Information <input type="checkbox"/> ()
	STAFF CONTACT (s): Dave Fauber	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

Staff published an Invitation for Bids (IFB) for Grounds Maintenance Service on February 9 & 12, 2011. Proposals were due and opened on February 28, 2011. The contract was awarded to Eastern Shore Landscape Management, Inc. (ESLM). The contract was signed in March 2011 and allows for three (3) one year extensions.

DISCUSSION:

Some changes were made to the base list of areas to be mowed, including the area at the Keck Well site and the new wastewater treatment plant, elimination of the old wastewater treatment plant and one additional week of mowing.

With those changes ESLM's base bid for mowing services has increased by \$2,811.00 totaling \$40,651.00. The portion for the maintenance of Central Park is \$16,750.00 and includes mowing, fertilization, aeration, herbicide spraying, mulching, pruning and irrigation.

The Town is working with the ESLM regarding maintenance of additional locations and this information will be discussed during budget review.

RECOMMENDATION:

Staff requests that Council approve the one-year extension of the Grounds Maintenance Service Contract, including the maintenance of Central Park, with Eastern Shore Landscape Management, Inc.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Waste Collection and Disposal Services Contract Extension		AGENDA DATE: March 8, 2012
	SUBJECT/PROPOSAL/REQUEST: Approve Contract Extension for Waste Collection and Disposal Services		ITEM NUMBER: 7B
	ATTACHMENTS: None		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): Dave Fauber, Director Public Works/Utilities	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Request for Proposal for Waste Collection and Disposal Services closed on May 26, 2009. The contract was awarded to Davis Disposal Co., Inc. with an effective date of August 12, 2009. The original contract allowed for a three (3) year extension.

In 2010, the contract was extended from September 1, 2010 to August 31, 2011.

DISCUSSION:

The second contract extension should have been executed in August 2011, but was inadvertently overlooked. Dave Fauber has been in discussions with Mr. Michael Davis of Davis Disposal Co., Inc., and the current rates will remain unchanged for both residential and commercial accounts. The Town is happy with the services provided.

This extension covers the timeframe from September 1, 2011 to August 31, 2013. At the end of this term, a new Request for Proposal will be advertised.

RECOMMENDATION:

Staff requests that Council approve the extension of the Waste Collection and Disposal Services contract with Davis Disposal through August 31, 2013.



TOWN OF
CAPE CHARLES

AGENDA TITLE: Federal Highway Safety Grant 2012/2013

AGENDA DATE:
March 8, 2012

SUBJECT/PROPOSAL/REQUEST: Approval to apply for funding through the VA Highway Safety Office

ITEM NUMBER:
7C

ATTACHMENTS: None

FOR COUNCIL:
Action
Information

STAFF CONTACT (s):
C. F. Brown, Chief of Police

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Federal Highway Safety Grants are awarded annually to law enforcement agencies across the Commonwealth to combat violations of alcohol / impaired driving, occupant protection - seat belts / child passenger safety, aggressive driving / speeding, and pedestrian and bicycle safety.

The Town received \$6,073 from this grant for FY 2011/2012 which has been included in this year's budget.

DISCUSSION:

This year, the Town will be requesting \$3,575, the breakdown is as follows:

- \$3,375 for 150 selective enforcement hours
- \$200 for officer training (DUI Conference)

This grant requires a 20% matching fee but we will be able to show our fuel usage and vehicle maintenance costs as the matching fee.

RECOMMENDATION:

Staff requests approval to apply for the 80/20 Federal Highway Safety Grant which is due to be filed no later than March 9, 2012.



TOWN OF
CAPE CHARLES

AGENDA TITLE: 2012/2013 Virginia Commission for Arts
Local Government Challenge Grant

AGENDA DATE:
March 8, 2012

SUBJECT/PROPOSAL/REQUEST: 2012-2013 Local Government
Challenge Grant Application

ITEM NUMBER:
7D

ATTACHMENTS: Virginia Commission for the Arts Press Release

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT(s):
Heather Arcos

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Town of Cape Charles has participated in the Virginia Commission for the Arts Local Government Challenge Grant since 1997. The Commission matches local government funds up to \$5K.

In the FY 2011/2012, the Town allocated \$5K as the local match. In previous years, the Town provided \$2,500.

DISCUSSION:

The grant application deadline is April 1, 2012. The grant application is typically drafted by the Arts enter and signed by Town Staff. The Town must confirm in writing to the Commission the Council's decision to appropriate the matching funds by July 1, 2012. The local match in the amount of \$5K is included in the draft FY 2012/2013 budget and the amount will be reviewed by Council at a future budget work session.

RECOMMENDATION:

Staff recommends approval to submit the Local Government Challenge Grant application by the April 1, 2012 deadline.



FOR IMMEDIATE RELEASE

CONTACT: Cathy Welborn, Program Coordinator
804/225-3132; catherine.welborn@arts.virginia.gov

State Arts Funding Application Deadline Announced for Virginia Localities and Artists in Education Grants

March 1, 2012 -- The Virginia Commission for the Arts announces a **5:00 p.m., April 2, 2012** application deadline for the Commission's 2012-2013 Local Government Challenge Grants and Artist in Education Grants. All applications and required attachments must be received by the Commission by 5:00 p.m., April 2, 2012. This is not a postmark deadline. Late or incomplete applications will not be considered by the Commission.

Local Government Challenge Grants are intended to encourage local governments to support the arts. The Commission will match, up to \$5,000 tax monies given by independent town, city, and county governments to arts organizations and jurisdictions. The money, which does not include school arts budgets or programming by parks and recreation departments, may be granted either by a local arts commission/council or directly by the governing board.

Artists in Education Grants provide elementary and secondary students and teachers opportunities to work with professional artists either in a school setting or through after-school or summer activities. These grants support educational programs in the arts that enhance arts instruction in the school curriculum. In addition, the grants will support the training of professional artists to work with elementary and secondary students. Eligible Applicants include:

- Virginia elementary and secondary schools which meet the Basic Eligibility criteria of the Virginia Commission for the Arts
- Private, federally tax-exempt schools that meet the Basic Eligibility criteria of the Virginia Commission for the Arts, including compliance with the Civil Rights Act of 1964 and the Americans with Disabilities Act
- Not-for-profit arts organizations working in partnership with local schools

The Virginia Commission for the Arts supports the arts through funding from the Virginia General Assembly and the National Endowment for the Arts. The Commission distributes grant awards to artists, arts and other not-for-profit organizations, educational institutions, educators and local governments and provides technical assistance in arts management.

For additional information and to download applications, go to www.arts.virginia.gov or contact the Virginia Commission for the Arts, 223 Governor Street, Richmond, VA 23219; Phone: 804/225-3132; email: arts@arts.virginia.gov.

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 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: NMA Federal Credit Union Board of Directors		AGENDA DATE: March 8, 2012
	SUBJECT/PROPOSAL/REQUEST: Representation on the NMA Federal Credit Union Board of Directors		ITEM NUMBER: 7E
	ATTACHMENTS: None		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT(s): Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

NMA Federal Credit Union will be opening branch offices in Cape Charles and Parksley effective March 1, 2012. With the opening of the branch offices, the Board of Directors of NMA Federal Credit Union has opted to expand the board to include representatives from the Towns of Cape Charles and Parksley. The intent of this action was for the local community to have representation on the Board of Directors who could provide feedback from the local area concerning the NMA's performance and additional services that were needed in the community which was not currently provided, etc. NMA would benefit by having a local face and cheerleader in the community.

Board members serve an initial term of two years and are responsible for the soundness of the Credit Union's Policies and overall operations and are bonded for personal liability. The Board meets monthly, typically the last Wednesday of each month, at NMA's main office on Haygood Road in Virginia Beach. Two of the meetings are also held on the Eastern Shore.

Board members are volunteers and are not compensated in any way for their time or service.

DISCUSSION:

The only qualification is that the individual be a member of the credit union in good standing. Interested individuals need to complete a one-page Credit Union Volunteer Application which also authorizes the credit union to perform a credit check. If chosen, they must complete two training sessions required by the NCUA addressing credit union financial literacy and receive training on Asset Liability Management which includes the seven risk factors that credit unions are examined on annually by the NCUA – Net Worth, NEC, Interest Rate Risk, etc.

Council can recommend a member of Council, staff member or resident, who has joined NMA to apply for the Board of Directors.

RECOMMENDATION:

Staff recommends discussion of individuals able to serve on the NMA Board of Directors.