TOWN COUNCIL
Regular Meeting

October 14, 2010
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 / Trail Update
   H. Planning Report

6. Old Business
   A. Boundary Adjustment Committee Update
   *B. Peddler's License Ordinance Update (§38-36)
   *C. Industrial Access Road – Planning Commission Recommendation
   *D. Mason Avenue Pump Station Upgrade and Force Mains Project
   *E. PNC Bank Credit Line Resolution

7. New Business
   *A. Re-appointment of Members of Planning Commission & Other Boards
   *B. Technology Zone – Planning Commission Recommendation
   *C. Cape Charles Rosenwald School Restoration Initiative
   *D. November Town Council Meeting Dates

8. Announcements
   - October 28, 2010 – Town Council Work Session @ 6PM
   - Date to be Determined – Town Council Regular Meeting
   - Date to be Determined – Town Council Work Session
   - Date to be Determined – Town Council Retreat

9. Adjourn at 8:00 P.M.

DRAFT
TOWN COUNCIL
Public Hearing
Town Hall
September 9, 2010
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 Councilmen Bannon, Bennett, Sullivan and Veber and Councilwoman Natali. Councilman Evans was not in attendance. Also in attendance were Town Manager Heather Arcos, Town Planner Tom Bonadeo and Town Clerk Libby Hume. The Department Heads were also in attendance along with nine (9) members of the public.

Mayor Sullivan announced the evening's public hearing was to hear public comment regarding the Harbor Area Design Guidelines and the proposed change to Section IV of the Cape Charles Zoning Ordinance regarding Signs/Political.

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

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

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Mayor Sullivan

_____
Town Clerk

DRAFT

DRAFT
TOWN COUNCIL
Regular Meeting
Town Hall
September 9, 2010
Immediately Following Public Hearing

At 6:02 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 Councilmen Bannon, Bennett, Sullivan and Veber and Councilwoman Natali. Councilman Evans was not in attendance. Also in attendance were Town Manager Heather Arcos, Town Consultant Bob Panek, Town Planner Tom Bonadeo, Treasurer JoAnna Leatherwood, Harbor Master Smitty Dize and Town Clerk Libby Hume. The Department Heads were also in attendance along with nine (9) members of the public.

Councilwoman Natali offered the invocation and led the Pledge of Allegiance.

PUBLIC COMMENTS:

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

CONSENT AGENDA:
Town Manager Heather Arcos stated that under New Business, Item 7E – Planning Commission Recommendation for Industrial Access Road was being added.

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

The Town Council reviewed the minutes of the August 12, 2010 Executive Session, August 12, 2010 Regular Meeting and the August 26, 2010 Work Session.

Motion made by Councilman Bennett, seconded by Councilman Sullivan to approve the minutes for the August 12, 2010 Executive Session, August 12, 2010 Regular Meeting and the August 26, 2010 Work Session as presented.

Councilman Veber welcomed all the members of the public in attendance stating that it was great that they came to the meeting and that even though the meetings usually are not open for public questions, if anyone had any questions, the Mayor and Council would be glad to answer.

REPORT PRESENTATIONS:

A. *Town Manager's Report:*
Town Manager Heather Arcos reported the following: i) She and Tom Bonadeo have been working with the Public Works Dept regarding plans to winterize the beach. Additional snow fence will be installed, additional grass is being purchased and the volleyball area is being relocated; ii) The third inspection was performed on the Breakwater Project on Tuesday, September 7th, but again, it did not pass since the work was not finished. The fourth inspection is scheduled for next Monday, September 13th; iii) The pre-bid meeting for the Invitation for Bids for the Mason Avenue Pump Station Upgrade and Forcemains Project was held earlier today and 3-5 general contractors attended; iv) Staff heard back from the Cape Charles Christian School regarding the lease of the old Cape Charles School. They have hired a new

attorney who is reviewing the lease; v) An Executive Session will need to be scheduled with legal counsel. She will send Council the information regarding this meeting next Monday, September 13th; and vi) She looked into the Infrastructure Grant and it would pay for the design and installation of the proposed billboard along Route 13 but the cost of the $880 monthly rental fee would not be covered. Funds could possibly be moved from other areas in the budget to cover the costs for this year.

Councilman Veber added that he has spoken to a representative of the billboard company and she stated that the billboard would remain empty through the winter so the Town may be able to get it for a reasonable price. Councilman Veber continued to state that he had talked to several business owners to help with the rental costs.

Councilman Bannon stated that he has received several complaints that the sand dunes at the beach were too tall that residents could not sit on their porches and see the Bay and that the temporary signs at the park informing visitors not to swim or wade in the fountain needed to be lowered. Councilman Bannon also congratulated everyone on the success of the Central Park Grand Opening.

B. *Treasurer's Report:*
The Treasurer's report dated August 31, 2010 showed $169,489 in the Bank of America checking account and $1,176,333 in the Local Government Investment Pool ("LGIP") with a Total Cash on Hand of $1,345,822. The Council did not have any questions for Treasurer Jo Anna Leatherwood.

Hearing no objections, Mayor Sullivan stated that the Treasurer's Report was approved as presented by unanimous consent.

C. *Recreation Report:*
Community Events / Recreational Coordinator Jen Lewis reported the following: i) The Birding Festival website was now up. Tickets could be purchased online and interested parties could review and sign up for the various tours that were available. This year's Birding Festival was scheduled for October 7 – 10, 2010 and the activities in Cape Charles would be from October 8 – 10, 2010. There was a link to the Birding Festival website on the Cape Charles website; ii) The Fall Tomato Festival would be held on September 25 – 26, 2010. She completed two radio spots for WESR which should begin playing on September 10th. She would be on the morning show on September 15th at 8:30 a.m.; iii) Also on September 25 – 26, 2010, the German Shepherd Club of America would be holding a variable tracking event in Central Park; iv) The Northampton High School Science Class will be planting grasses on the Cape Charles Beach; and v) The Central Park Grand Opening was a great success with an estimated 1K people in attendance. There were lots of children who all had a great time.

Councilman Bannon stated that he would like to see more activities at Central Park. Jen Lewis stated that she had been talking to a company that would provide a screen and projector to show movies at the park.

D. *Library Report:*
The Council did not have any questions for Librarian Ann Rutledge.

E. *Harbor Report:*
The Council did not have any questions for Harbor Master Smitty Dize.

F. *Public Works / Public Utilities Report:*
Public Works / Public Utilities Director Dave Fauber reported the following: i) The pumps have been installed in the wells on the Keck property and they are ready for the aquifer test. The Town is still waiting on approval from the Department of Environmental Quality (DEQ) for the aquifer test; ii) There was an issue regarding an odor from the lake in Marina Village which was connected to the fish kill over the weekend. Bay Creek was in the process of testing the water; iii) The water softener was still down. The part that was purchased needed to be programmed to work with the Town's water system. He was trying to get pricing for a new digital control panel.

Mayor Sullivan asked if many complaints had been received regarding the softener. Dave Fauber stated that he had received approximately 5-10 complaints and Heather Arcos stated that she had received several. Dave Fauber stated that the softener should be repaired by the weekend of September 18th since the installer can only come to this area on weekends.

There was some discussion regarding having spare parts on hand for the water system in case this happens in the future. Bob Panek added that the Town's system was antiquated and parts were no longer manufactured. It would be costly to replace the system but it was something that needed to be done, even though it probably could not be done in this year's budget.

Councilman Bannon asked whether the old pump house on Stone Road coming into Town would be demolished. Dave Fauber responded that it would be demolished sometime in the future.

G. *Code Enforcement / Central Park Trail Update:*
The Council did not have any questions for Combination Inspector Jeb Brady.

H. *Planning Report:*
The Council did not have any questions for Town Planner Tom Bonadeo.

OLD BUSINESS:

A. *Wastewater Treatment Plant Construction Update:*
Bob Panek gave a status update on the construction of the new wastewater treatment plant as follows: i) Approximately 75% of the concrete work has been completed; ii) The electrical duct work has been completed; iii) The storm drainage has been completed; iv) Mobilization for the outfall extension along Bayshore Road should commence soon. This work should take approximately two weeks; v) Mobilization for the Bay Creek force main and reuse pipeline along Old Cape Charles Road should also commence soon; vi) There has been one introductory fraud prevention visit from the Environmental Protection Agency (EPA) Inspector General's office and the American Recovery and Reinvestment Act (ARRA) compliance inspections by both the DEQ and EPA. Several minor ARRA administrative issues have been corrected; vii) Approximately $2.6M has been billed to date, which was within the reimbursement limits of the grants; and viii) The bids for the Mason Avenue Pump Station and Forcemains Project were due September 28, 2010 and the contract should be awarded in October. This project is expected to cost approximately $1.2M and should take approximately 6 months to build.

Councilman Bennett asked whether the contractor had gained back any of the time lost in the construction of the wastewater treatment plant. Bob Panek responded that he had not received a request for an extension yet.

B. *PSA/Regional Wastewater Update:*
Bob Panek informed the Council that the Preliminary Engineering Report (PER) for the Southern Node has been completed and an application for financial assistance to design and

build the system has been submitted to the DEQ and the consulting team has met with the DEQ and USDA Rural Development (USDA RD) to explore blends of grants and loans to yield affordable rates. Grants were needed to cover approximately 80% of the cost in order for the rates to be affordable for the citizens in the proposed areas. Representatives from these agencies will meet with the Project Management Team (PMT) and PSA in October. The revised PSA was approved by the State Corporation Commission and the members of the board have been sworn in. The PSA Board held their first meeting on August 24, 2010 and the Board elected Bob Meyers as Chairman and Bob Panek as Vice Chairman who subsequently met with Riverside Shore Memorial Hospital (RSMH) Administrator Joe Zager and representatives from the other facilities currently supported by the RSMH utilities system to discuss service needs after the hospital relocates. All parties expressed a desire to work cooperatively to integrate these needs into the Northern Node planning and to transfer operation of the new system to the PSA.

Councilman Bannon asked about the progress of the door-to-door surveys in the various areas and how the results were turning out. Bob Panek stated that he believed that Cheriton was almost done but there was a lot of negativity regarding hooking up to the regional wastewater system. The PSA must have 80% voluntary hookups in order to be eligible for the funding. The alternative would be mandatory hookups.

Councilman Veber asked who would be responsible for funding. Bob Panek responded that the funding would be through grants and loans issued by the DEQ, USDA RD and Department of Housing and Community Development.

Heather Arcos asked when the DEQ response was expected. Bob Panek stated that he thought it was in September but that he would check and notify Council.

A citizen stated that she lived in the Cape Charles Section of Fairview and asked whether this was part of Cape Charles. Bob Panek responded that this section was not part of Cape Charles but Mayor Sullivan added that the section would be included as part of the PSA.

C. *FY 2009 Audit Report:*
JoAnna Leatherwood stated that this item was a follow-up from the August meeting since the Council did not have a chance to review the audit report prior to that meeting and asked if the Council had any questions after reviewing the report. The Council did not have any questions.

D. *Harbor Area Design Guidelines:*
On July 22nd, a joint work session was held with the Town Council, Planning Commission and the Harbor Area Review Board and Mr. John Crouse, from H&A Architects & Engineering (formerly CMSS Architects) gave a presentation giving an overview of the Harbor Area Design Guidelines. Several additional changes were suggested which have been incorporated into the guidelines.

A public hearing was held earlier this evening to receive public comments and to review the guidelines with the citizens of the Town and no comments were heard.

Motion made by Councilman Bennett, seconded by Councilman Bannon, to adopt the Harbor Area Design Guidelines as an addendum to the Town's Comprehensive Plan. The motion was approved by unanimous consent.

DRAFT

NEW BUSINESS:

A. *Peddler's License Ordinance Update (§38-36) / Schedule Public Hearing:*

A work session was held on August 26th, where staff presented retail license options related to peddlers and itinerant merchants and the concern was for the preservation of existing businesses and their ability to compete in the "peddler" environment. The proposed changes resulting from the work session were reviewed. The state code requires that business licenses be issued for specific places of business which would require an existing business to obtain a peddlers license but only pay tax at the existing rate for their primary location. Tom Bonadeo reviewed the changes made to the categories as a result of the work session.

Councilwoman Natali questioned that "retail" was still included in the various categories as well as "other goods" in category (g) all with a license fee of $50. Tom Bonadeo stated that there was some discussion at the work session regarding limiting peddlers to food vendors only but no definitive decision was made at that time. There was much discussion regarding retail peddlers and whether they should be permitted in Town since they may compete with the existing business owners. The Council reached a consensus that non-food vendors would not be permitted in Town and references to "retail" would be deleted.

Councilman Veber asked about the enclosed trailers which still show a license tax of $500 and whether the Town wanted to discourage these types of vendors. Mayor Sullivan stated that she thought the complaint was more about the large generators that are used by these types of trailers. Tom Bonadeo added that vendors with enclosed trailers used generators to power cookers or fryers which emitted an odor as well as the noise of the generators which could be a problem for the residents possibly living across the street from the location of the trailer.

Heather Arcos asked whether the number of vendors could be limited.

Councilman Bennett stated that limitations on the number of vendors and their locations were discussed at the work session. Tom Bonadeo referred to Section 62-11 of the Town Code which placed limitations on the use of streets for sales. Each category contains language referring to Section 62-11.

It was also suggested that language regarding the requirement of certification from the Department of Health for food sales be added to category (g).

Motion made by Councilman Bennett, seconded by Councilman Veber, to schedule a public hearing on October 14, 2010 to hear public comment on the proposed modifications to Section 38-36 of the Zoning Ordinance as discussed. The motion was approved by unanimous consent.

B. *Signs/Political – Zoning Ordinance Change:*

Tom Bonadeo stated that the Zoning Ordinance allows temporary signs in every zoning district and Section 4.1.C.5.g.iv. allows "political campaign signs provided proper and prompt removal of such sign within seven days of the election." Northampton County only allows a political sign no earlier than 45 days prior to the election but Cape Charles currently does not have a time limitation prior to the election. The Cape Charles Zoning Ordinance limits contractor and real estate signs to 4 square feet but no size limitation is imposed on political signs.

A public hearing was held earlier this evening to receive public comments regarding the proposed modifications and no comments were heard.

Tom Bonadeo added that the Town will develop brochures containing this ordinance to provide to candidates to inform them of the sign regulations.

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Motion made by Councilman Veber, seconded by Councilwoman Natali, to adopt the proposed modifications to Section 4.1.C.5.g.iv. of the Zoning Ordinance as presented.

C. *Invitation for Bids – Town Fuel Contract:*
Harbor Master Smitty Dize informed Council that the current fuel services contract was awarded to Bagwell Oil beginning December 1, 2005 and with several extensions added was scheduled to expire on November 30, 2010. The Town would need to advertise for bids for all fuel, gas and propane services in order to award a new contract effective December 1, 2010.

Motion made by Councilman Bannon, seconded by Councilman Veber and unanimously approved to authorize the Town Manager to advertise an Invitation for Bids for all fuel services.

D. *Request for Proposal – IT/Computer Support:*
Heather Arcos stated that over the past several years, Mike Sullivan has been the IT Support consultant for the Town. In order to formalize this service, a Request for Proposal was recommended to accept proposals from qualified sources for IT Support for services to include network management, PC services, desktop and laptop management, printer management, website and email management and remote site management for the Harbor, Water and Wastewater Plants and the ADP Time Clocks. The contract term shall be for two years.

Councilman Bennett questioned why the IT contractor should serve at the will and pleasure of the Council. Heather Arcos stated that she had removed this language from the RFP.

Motion made by Councilman Veber, seconded by Councilwoman Natali to authorize the Town Manager to advertise the Request for Proposal for an IT contractor as discussed. The motion was approved by unanimous consent.

E. *Planning Commission Recommendation for Industrial Access Road:*
Tom Bonadeo reviewed the Planning Commission recommendation regarding the industrial access road which was being proposed by Southport Investors and would connect Old Cape Charles Road to the Bayshore Concrete entrance and may quality for funding through the VDOT Economic Development Access Program (EDAP). Tom Bonadeo continued to state that there were two types of projects eligible for this program – Regular Projects and Bonded Projects. If there was a new, named qualifying establishment under firm contract to build in the industrial park, the locality would be eligible to request funding for the road and the funding would be limited to 20% of the qualifying capital investment up to $500K. If there was no firm contract to build or the qualifying establishment was confidential, the locality would use a bonded project and the maximum amount of the grant would be approximately $500K. If the cost of the road exceeds $500K, the locality could request an additional $150K which requires a one for one match. Under the bonded project, if a qualifying establishment does not move into the industrial park within five years, the locality would be responsible to repay the funds received. During a presentation to the Planning Commission, Southport Investors indicated their willingness to support all costs over the grant amount and the Town should not expect to contribute any funding. The Planning Commission heard comments from most of the nearby stakeholders and all comments favorably support the road construction. Based on their findings, the Planning Commission supports the construction of the industrial access road using the EDAP program administered by VDOT. Tom Bonadeo concluded by requesting that the Council review the EDAP Guide, especially the flow chart on page 13, which was attached to the Planning Commission recommendation.

Councilman Bennett stated that he wanted to make it clear that the Town would support the construction of the proposed road but did not want the Town to commit to anything other than submission of the application. Tom Bonadeo stated that the Planning Commission felt the same but that there would be significant staff time involved with this project and grant administration. There were several issues that needed to be resolved and the plan needed to be reviewed by legal counsel.

OTHER ISSUES:

Councilman Bannon stated his concern regarding keeping people, especially children, out of the fountain in the park. Heather Arcos stated that staff was working on obtaining signage for the park.

ANNOUNCEMENTS:

- September 23, 2010 – Town Council Work Session @ 6PM regarding modifications to the water and sewer ordinance. Heather Arcos added that the proposed changes would be sent to Council but that only the water ordinance would be reviewed at this meeting.
- September 23, 2010 – Cape Charles Open – A golf event at Bay Creek with proceeds benefiting the Eastern Shore United Way
- September 25-26, 2010 – Cape Charles Fall Tomato Festival
- September 25-26, 2010 – The American Kennel Club Variable Tracking Seminar at Central Park
- October 7-10, 2010 – The Birding Festival. Opening festivities were scheduled for October 7th in Onancock, but the events on October 8-10 would be held in Cape Charles.
- October 11, 2010 – Town Offices Closed in Observance of Columbus Day
- October 14, 2010 – Town Council Regular Meeting @ 6PM
- October 28, 2010 – Town Council Work Session @ 6PM – *tentative*

Mayor Sullivan thanked the attendees for coming to the meeting this evening.

Hearing no objections, Mayor Sullivan adjourned the Town Council Regular Meeting by unanimous consent.

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Mayor Sullivan

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Town Clerk

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TOWN COUNCIL
Executive Session
Town Hall
September 23, 2010
6:00 P.M.

At 6:00 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Executive Session of the Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Evans, Sullivan and Veber and Councilwoman Natali. Councilman Bennett was not in attendance. Also in attendance were Town Manager Heather Arcos, Consultant Bob Panek and Mr. Michael Sterling from Vandeventer Black, LLP.

Motion made by Councilman Evans, seconded by Councilman Sullivan 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 7: Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

Specifically: South Port Suit

Motion made by Councilman Bannon, seconded by Councilman Evans and unanimously approved to return to Open Session.

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

Mayor Sullivan adjourned the Town Council Executive Session by unanimous consent.

DRAFT

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Mayor Sullivan

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Town Clerk

Town Manager Report
Highlights
September 10, 2010 – October 7, 2010

Harbor Development

- The bid opening for the Harbor Redevelopment Project was held on October 4th and one bid was received which was significantly over budget for this project. Staff along with Tom Langley will revisit the plans and the project will be put back out to bid at a later date.

Wastewater Treatment Plant Update

- The bid opening for the construction of the Mason Avenue Pump Station Upgrade and Force main was held on September 28th and four bids, which were all over the budget, were received. Staff has revisited the plans and this is an agenda item for further discussion during the meeting.

Water Plant Update

- The softener has been repaired.
- The control panel is about 20 years old and is obsolete and parts are no longer made to repair it. An upgrade to a new, digital control panel will cost approximately $100K and should be considered for next year as repeated repairs to the current system are costly.

Cape Charles Beach/Pier

- The advertisements requesting bids for the repairs to the beach boardwalk and pier have been submitted to the Eastern Shore News to run on October 6th and 9th.
- Pre-bid meetings will be held on October 26th and the bid deadline is November 2nd.
- The cost of these repairs will be reimbursed by FEMA.
- Public Works will begin working on the beach to winterize with additional snow fence and planting of additional grass.

Bay Creek Communications

- The Town Staff is working to utilize the two designated cable channels to provide government information and recreational information.

Boundary Adjustment Sub-Committee Update

- The Boundary Adjustment Committee met on September 29th at 5PM to continue discussions regarding a possible boundary adjustment request and the County's guidelines for boundary adjustments were reviewed. District 2 Supervisor Sam Long was also in attendance at this meeting. An update on the agenda.

Old Cape Charles School

- On October 5th, staff met with the attorney for CCCS regarding the lease.
- Staff is working on a solicitation to lease the school and will follow with a Public Hearing as required by the Code of Virginia.

Topics for Upcoming Work Sessions:

- Town Code Modifications:
  - Chapter 70 – Water, Sewer and Sewage Disposal
  - Golf Cart Ordinance
  - Technology Zone
  - Possibility of Proration of Personal Property Tax
  - Possible presentation offered by VEDP
    Retreat
- Personnel Policy Review

Recreation Department
October Council Report

1. The Park Grand Opening was a success. The recreation department offered activities for children, adults and seniors. There were games spread around the lawn and tables set up with board and card games. The children, under the supervision of Trina Veber, gave a great performance.

2. The Tomato Fall Festival was a huge success as well. The recreation department and library provided face painting, jump house, cotton candy and games with prizes. We brought in almost $75 off 25 cent ticket sales.

3. Arts and crafts attendance has settled down since the start of school but we continue to have kids every Wednesday afternoon.

4. The library and recreation department will be joining together on October 15 to have a teen movie night. There will be pizza, drinks and a contest.

5. The planning department and recreation department are working together to have one of the science classes from Northampton High School plant the beach grass this fall.

6. The police department and recreation department are working together to present programs for public awareness. We will be offering another identity theft seminar as well as more dates for ident-a kid.

7. The birding festival will be taking place October 7-10. As of the last meeting we were at 108 ticket sales. This can be updated at the next council meeting. The firehouse, museum and Blue will be for various activities. The Virginia Aquarium will be on site to offer programs for the children.

8. Trunk or treating will take place October 23 from 3-5 p.m.

Cape Charles Memorial Library
Sept. 2010
Monthly Report Presented by Ann Rutledge

1. **Toddler/Preschool Storytime** was held on Thursday at 10:30 and a total of 68 children and caregivers attended this month.

2. The children from the **Migrant Headstart Program** visited the library every Friday for storytime and 83 *children* attended this month.

3. The Library participated in the **Central Park Grand Opening** on September 5 with a Library Table. We handed out bookmarks, stickers, lollipops, and free pencils. We also took some of the items from our touch table and a small assortment of puppets and big books. But the most popular part was the face painting. With the help of two teen volunteers we offered free face painting for children.

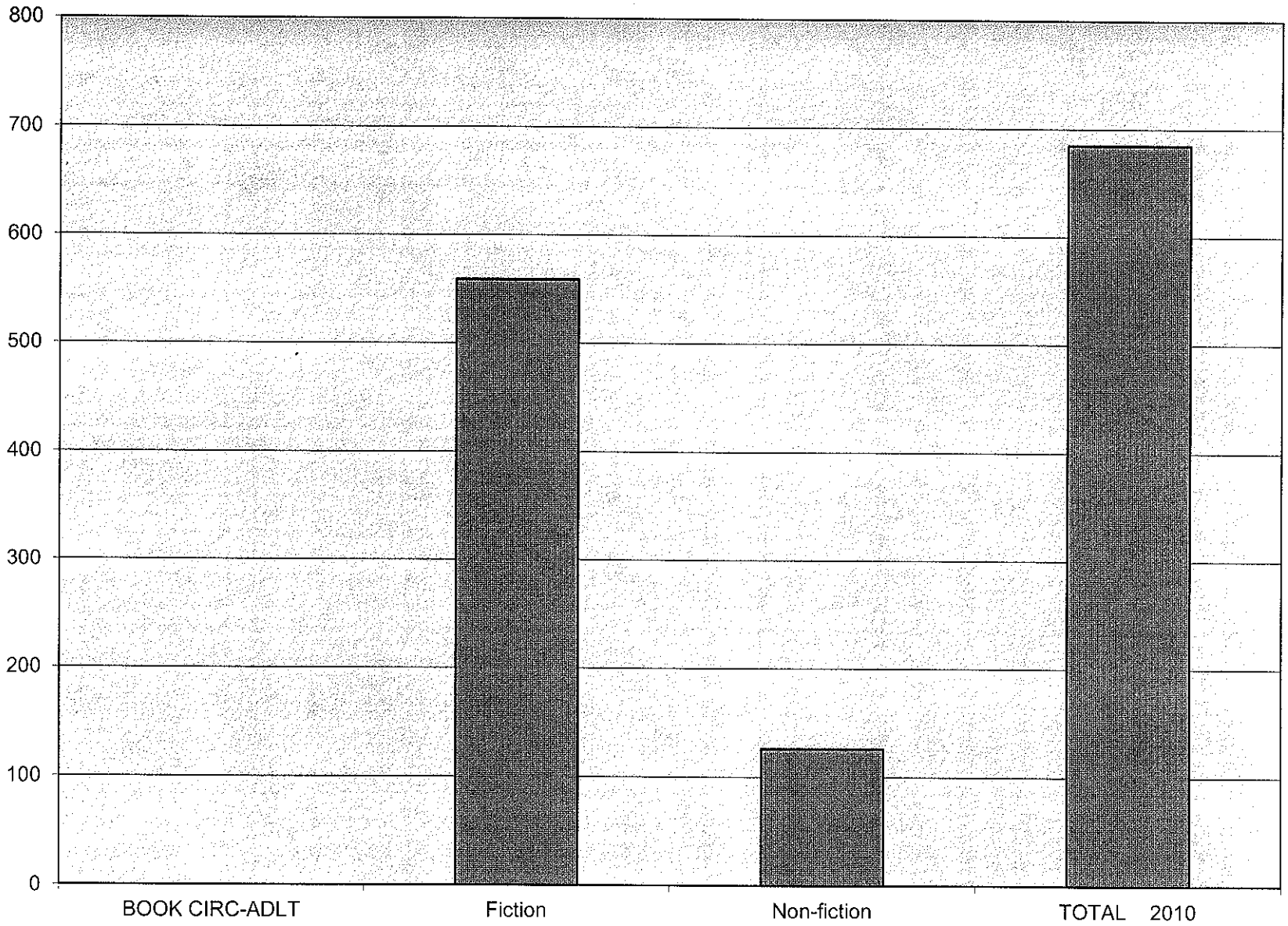
6. The **Cape Charles Library Board** met on September 8 at 5:00 at the Library and the Friends of the Library met on September 13.

7. The Library participated in the **Tomato Festival** on September 25 in conjunction with Parks and Recreation. We again had a Library Table and offered free face painting.

8. The library **displays** for this month celebrated Banned Book Week and Roald Dahl Month (a popular children's author).

Cape Charles Memorial Library

							2010						to date
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV.	DEC	
INCOME:													
Donations	$7.00	$2.00	$2.00	$5.40	$6.00	$2.00	$24.00	$2.00	$1.00				
Copier/Prt	$35.40	$35.95	$53.00	$105.78	$78.30	$76.00	$77.50	$84.35	$63.30				
TOTAL	$42.40	$37.95	$55.00	$111.18	$84.30	$78.00	$101.50	$86.35	$63.30				
Deposit	$42.40	$37.95	$55.00	$111.18	$84.30	$78.00	$101.50	$86.35	$64.30				
BOOK CIRC-ADLT													
Fiction	559	540	497	488	494	685	809	800	668				
Non-fiction	126	168	136	170	116	172	153	159	157				
TOTAL 2010	685	708	633	658	610	857	962	959	825				
Books Circ. 2009	459	648	525	703	685	720	654	979	692				
BOOKS CIRC-JUV													
Fiction	345	351	426	423	406	694	707	737	527				
Non-Fiction	118	101	105	156	80	82	101	94	104				
TOTAL 2010	463	452	531	579	486	776	808	831	631				
BOOKS CIRC. 2009	211	225	362	343	248	422	431	555	481				
TOTAL BOOK 2010	1148	1160	1164	1,237	1096	1,633	1,770	1,790	1,456				
TOTAL BOOK 2009	975	873	887	1,046	933	1,142	1,085	1,266	1,173				
Attendance 2010	742	732	995	1,060	1,535	1,392	1,833	1,805	1,324				
Attendance 2009	927	968	937	951	994	422	1,085	1,555	1,134				
Programs 2010	4	7	7	5	4	9	16	12	8				
Programs 2009	7	8	11	7	8	6	11	16	8				
Prog. Attend 2010	8	60	41	22	29	155	904	244	123				
Prog. Attend 2009	39	72	56	45	40	131	155	197	85				
Internet use 2010	428	385	375	713	941	746	708	853	632				
Internet use 2009	876	598	490	660	487	731	731	700	369				
Library Cards 2010	8	9	15	15	17	45	30	36	17				
Library Cards 2009	20	14	13	10	18	23	23	34	59				


800
700
600
500
400
300
200
100
0
BOOK CIRC-ADLT
Fiction
Non-fiction
TOTAL 2010

Harbor Report
September, 2010.

Maintenance

1. Continued re-nailing rubber bumpers around the bulkhead of the harbor.
2. Maintenance on harbor UTV that was acquired from the Police Dept.
3. Replaced light bulbs in several electric and safety pedestals.
4. Weeded Flower beds and parking lot.
5. Replace faucet in Office.
6. Replaced toilet bowl seats in restrooms.
7. Repaired Flag pole.

Upcoming, Scheduled Maintenance

1. Replace broken pile caps
2. Paint Fuel Tank
3. Re-coat dock

Capitol Projects:

1. Breakwater project, Sections 1 & 2 out of 5 is complete.
2. We have received the notice to proceed from the Boating Infrastructure Grant for the new slips and bathhouses. Invitation for bids was put out on September 1, 2010 with a opening date of October 4, 2010

Other:

1. Our Gasoline now has Road tax included.
2. Sales tax has been applied to Diesel Sales.

Harbor Report
September, 2010.

Business:

Average Boats in the Harbor per night by category:

1. **Nightly Rentals,** September – **2.0**, Last Month – **2.3**, FYTD – **2.1,** Last FY – **1.3**
2. **Weekly Rentals,** September – **2.1**, Last Month – **8.6**, FYTD – **6.5,** Last FY – **7.6**
3. **Monthly Rentals,** September– **12.8**, Last Month – **12.0**, FYTD – **12.0,** Last FY – **11.8**
4. **Seasonal Rentals,** September – **11.0**, Last Month – **8.8**, FYTD – **8.9,** Last FY – **8.6**
5. **Annual Rentals,** September – **27.0**, Last Month – **25.0**, FYTD – **29.2,** Last FY – **25.7**
6. **Total Rentals,** September – **54.9**, Last Month – **56.7**, FYTD – **58.7,** Last FY – **55.1**

Wharf Fees by Pounds:

1. **Crabs:** September – **31,545,** Last Month – **41,130,** FYTD – **141,255,** Last FY – **1,429,920**
2. **Fish:** September – **134,690,** Last Month – **140,510,** FYTD – **301,576,** Last FY – **501,141**
3. **Conchs:** September – **0,** Last Month – **0,** FYTD – **0,** Last FY – **73,580**
4. **Horse Shoes:** September – **0,** Last Month – **0,** FYTD – **0,** Last FY – **63,280**
5. **Total Pounds:** September – **166,235,** Last Month – **181,640,** FYTD –**442,831,** Last FY – **2,067,921**

Incidents: None.

Notes:

4th Annual Blessing of the Fleet, Begins on April 8th, 2011 @ 5:30 pm.
Buy Boat Reunion, August 5th, thru the 8th 2011.

William Smith Dize Jr.
Harbor Master
October 1, 2010

PUBLIC WORKS
September 2010

Dump Fees

- **Oyster Landfill** – 16 Trips
- **Sludge**- 0 Tons

Work Orders Open: 16
Work Orders Completed: 84

Staff Report

Completed Projects

- Repairs on street Banners.
- Replaced street light globes with new.
- Ordered library doors and hardware.
- Trimmed hedge around tennis court.
- Planted crape myrtles on Monroe Ave.
- Installed new signs at pier, beach, keck wells, and beach bathrooms.
- Playground equipment maintenance.
- Removed trash barrels from beach.

In Progress

- Alley maintenance.
- Reworking plantings at welcome sign at Rt. 13 and Stone Rd.

Upcoming Projects

- Repairs to Fun Pier and Boardwalk. (FEMA)
- Replace library doors.

Special Events

- Birding Festival

PUBLIC UTILITIES
September 2010

Work Orders Completed

Miss Utility Tickets: 30
Responded To Fire and Rescue Calls, Total Man Hours: 4

Staff Report

- David Fauber attended recertification classes administered by the Department of Conservation and Recreation for Erosion and Sediment Control Plans Review in Williamsburg.

Completed Projects

- Pumps installed in Keck Wells. Permanent wiring in place, pumps are ready to be tested.
- Received comments from the DEQ on the Aquifer Test Plan for Keck Wells.
- Submitted annual update to the Nutrient Exchange Commission.
- Replaced 50 old meters in the system. Mostly Rockwells which are some of the oldest in the system.
- Flushed sewer lines throughout town.
- Repairs to water softener, Roberts Filters.
- Repairs to exterior of Washington Ave pump station.
- Repairs to exterior of Plum Street pump station.

New WWTP

- The Operations Building has the block foundation laid and grouted solid. Duct bank is currently being installed in sub-grade. Drainage piping is currently being installed in sub-grade. Slab pour is not scheduled to take place within the next three weeks.
- The Head-works Building has foundation walls and slab poured. Currently installing wall panel forms and rebar for first floor wall pours.
- The Reactor Distribution Box has upper walkways poured. The contractor is still working on leak repair of these chambers.
- The Reactors have all walkways poured.
- The Membrane tanks have all walls poured and the stair walkway on the upper slab poured.

- The Process Building has slab formed. Currently having electrical conduit installed in sub-grade. All duct banks have been poured. 95 percent of below grade process piping has been installed and tested. The Chemical room slab is poured.
- The UV Structure has upper walkway slab poured. The conduit is being installed on the exterior. The trough fill under the flume is to be poured Wednesday this week. Wash down pad being formed this week.
- Waste Sludge Holding Tank upper walkway slab has been poured. Solids Processing Building underground process piping has been installed and tested. Currently the duct bank conduit is being installed in sub-grade.
- Various electrical man holes and hand holes to be installed this week. Bay Creek force main tied into valves. 95 % complete. To be completed this week.
- The outfall piping is to begin this week.
- The generator pad is laid out. The electrical rough-in is to begin this week.

In Progress

- Awaiting response from DEQ for our Ground Water withdrawal permit. Must be revised to delete East Well II and add Keck Wells I & II. (Month 31)
- Exercise and repair fire hydrants in town.
- Tentative OK from Port Authority to bring water line across the dredge spoil site that lies between the Keck parcel and Stone Road.

Upcoming Projects

- Mason Ave Pump Station upgrades and force main rerouting.
- Fig Street Force Main rerouting.
- Install of new metering system for chemical feed pumps at the water plant.
- PER for connection to Keck Wells. (May get VDH grant money)
- PER for chlorination byproducts. (May get VDH grant money)
- Painting of interior of water tower tank.

Code Enforcement

Month of September FY 2011

Building Permits Issued/Permit Fees Collected:

Permits this month: 14

Permits this year: 46 Total permits last year: 200

Total construction this month: $467,704

Total construction this year: $1,406,875 Total construction last fiscal year: $3,967,519

Permit fees this month: $23,844.29

Total permit fees this fiscal year: $55,202.55 Total permit fees last fiscal year: $63,902.48

Bay Creek Water/Sewer Tap fees: $20,000

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: $20,000

Total Tap fees this year: $40,000 Total Tap fees last fiscal year: $20,000

Fire Dept. levy this month: $275.38

Total Fire Dept. levies this year: $1,122.08 Total Fire Dept. levies last fiscal year: $3,282.54

State levy this month: $55.08

Total state levies this year: $225.41 Total state levies last fiscal year: $664.67

Miscellaneous Revenue:$50 Temporary C.O.

Existing Structures Code Enforcement Cases:

Total Cases: 27

New this month: 0

Closed this month: 0

Rental Inspections:1

Rental C.O's Issued: 1

Rental Inspection fees collected: $50

Grass cutting enforcement: 15

Grass cutting: 6

Enforcement fees charged this month: $900

Enforcement fees charged this year: $2,512 Fees charged last fiscal year: $7,351.98

Enforcement fees collected: $690.31

Enforcement fees collected this year: $1,102.31 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)

Total Cases: 59

Received this month: 6

Closed:28

Unresolved: 29

Month of September FY11

Central Park Trail (T-21 Grant) (updated)
Hours spent working on project this month: 30

Key Notes:

- Substantial Construction is complete
- Town has provided final punch list to contractor
- Worked on designing signage for entrances, around the gazebo, and around the fountain.

Other items of note:

1. Completed 63 inspections
2. Conducted 1 zoning clearances
3. Completed 1 courtesy residential inspections
4. Conducted 0 courtesy commercial inspection
5. Conducted 30 E & S control inspections
6. Conducted 0 commercial plan reviews for Erosion and Sedimentation Control.
7. Completed 1 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. Finalized Plans Review for new Harbor Improvements.
11. Dave Fauber attended Erosion & Sedimentation Control Training to maintain his certifications.
12. Continued work on a nuisance ordinance update to incorporate piling of trash, garbage, materials, etc of an unnecessary quantity as a violation.
13. Posted a house on Madison Avenue as unsafe/uninhabitable due to the fact that there were people living in there with no electricity.

Reminder: Cape Charles Central Park will be closed until further notice.

Basketball Court, Tennis Courts, and Playground will remain open unless otherwise noted. Please access these facilities from Madison Avenue.

10/01/10

Permit/Construction Fee Report

Map Number	Permit#	Type	Date	Address	Work description	Permit Fee	Value
	PB100062	Building	09/01/2010	215 Randolph Avenue	Foundation Repairs	$145.60	$11,000
083A3-0100-61	PB100063	Building	09/08/2010	325 Mason Avenue	tear off and reroof of front awning	$84.00	$1,300
	PB100064	Building	09/14/2010	104 Monroe Avenue A	Slate tear off. New shingles Life Time. Rat	$117.60	$8,000
	PB100065	Building	09/17/2010	212 Bay Avenue	Redo floors, remodel Bathroom, Paint	$269.83	$33,185
	PB100066	Building	09/28/2010	4 Bay Vistas Way	New S/F Res.□□	$22,103.24	$325,000
083A3-0100-49	PB100067	Building	09/24/2010	127 Peach Street	Res Alt Per App	$56.00	$2,400
	PE100032	Electrical	09/24/2010	607 Pine Street	New 200 AMP Service	$168.00	$15,000
	PG100010	Gas	09/27/2010	120 Creekside Lane	Install 1 Fireplace	$56.00	$450
	PG100011	Gas	09/28/2010	607 Pine Street	1 set of Gas logs and piping	$56.00	$350
	PG100012	Gas	09/28/2010	527 Walbridge Bend	adding gas grill	$56.00	$300
83A3-0201-063	PM100017	Mechanical	09/13/2010	117 Mason Avenue E	new mech units for apartment	$169.22	$15,219
	PM100018	Mechanical	09/27/2010	607 Pine Street	2 Air to Air Heat Pumps	$196.00	$20,000
	PP100018	Plumbing	09/28/2010	607 Pine Street	new plumbing for s/f res	$148.40	$11,500
	PP100019	Plumbing	09/27/2010	120 Creekside Lane	New single family Res.	$218.40	$24,000
Total Permits:	**14**					**$23,844.29**	**$467,704**

PerDateIssued Range from 09/01/2010 to 09/30/2010

Printed: 10/01/2010

Revenue Totals by Category/Items

From: 09/01/2010 to: 09/30/2010

C. of O.		
Temporary C. O.	1	$50.00
C. of O. totals	**1**	**$50.00**

Inspection		
Sewer Tap Insp	1	$50.00
Water Tap Insp	1	$50.00
Inspection totals	**2**	**$100.00**

Miscellaneous		
E/S Agreement in lieu of plan	1	$150.00
Fire Dept Fee	14	$275.38
Res. Sewer Connection	1	$875.00
Res. Sewer Facility	1	$13,150.00
Res. Water Connection	1	$875.00
Res. Water Facility	1	$5,100.00
Miscellaneous totals	**19**	**$20,425.38**

Plan Review		
Sewer Plan Rev	1	$30.00
Water Plan Rev	1	$30.00
Plan Review totals	**2**	**$60.00**

Rental Fee		
RENTAL INSPECTION	1	$50.00
Rental Fee totals	**1**	**$50.00**

Residential		
Valuation Res $10K >	1	$150.00
Residential totals	**1**	**$150.00**

Review		
Landscape Plan Review	1	$100.00
Residential Building Plan Revi	1	$200.00
Residential Site Plan Review	1	$150.00
Review totals	**3**	**$450.00**

State Tax		
STATE TAX.	14	$55.08
State Tax totals	**14**	**$55.08**

Valuation		
Com $0 - $2.5K	1	$75.00
Garage- 5B	1	$21.17
Residential decks & porches- 5B	1	$120.96
Residential, one and two family- 5B	1	$1,057.19
Valuation Res $0-$2.5K	4	$200.00
Valuation Res $2.5K - 10K	1	$105.00
Valuation Res > $10K	6	$1,024.51
Valuation totals	**15**	**$2,603.83**

Grand Totals	**58**	**$23,944.29**

MONTHLY INSPECTION TOTALS

Jeb Brady

FINAL	09/02/2010
Final	09/21/2010
Sheathing (North	09/07/2010
BOX	09/17/2010
Foundation	09/17/2010
Final	09/03/2010
Final	09/01/2010
Final	09/10/2010
Framing	09/16/2010
Framing	09/17/2010
Insulation	09/24/2010
Final	09/22/2010
Final	09/02/2010
Framing	09/17/2010
Insulation	09/22/2010
Final	09/02/2010
Insulation	09/22/2010
Footing	09/01/2010
Footing	09/02/2010
Box	09/01/2010
Foundation	09/01/2010
Sheathing	09/23/2010
Framing	09/03/2010
COURTESY	09/03/2010
Box	09/01/2010
Foundation	09/01/2010
Sheathing	09/15/2010
Foundation	09/01/2010
Framing	09/07/2010
Footing	09/02/2010
Final	09/22/2010
Final	09/01/2010
Final	09/02/2010
Final	09/02/2010
Final	09/02/2010
Final	09/02/2010
CUT-IN	09/08/2010
Rough-In	09/08/2010

MONTHLY INSPECTION TOTALS

	Final	09/22/2010
	Rough-In	09/30/2010
	Rough-In	09/30/2010
	Final	09/03/2010
	Final	09/24/2010
	Final	09/03/2010
	Final	09/10/2010
	Final	09/02/2010
	Final	09/10/2010
	Pressure/R.I.	09/14/2010
	Final	09/01/2010
	Final	09/10/2010
	Final	09/22/2010
	Final	09/02/2010
	Rough-In	09/14/2010
	Final	09/03/2010
	Final	09/10/2010
	Final	09/02/2010
	Rough-In	09/14/2010
	S/W FINAL	09/16/2010
	Final	09/01/2010
	Rough-In	09/01/2010
	Final	09/17/2010
	Final	09/03/2010
	Final	09/10/2010
Total	63	
Grand Total	63	

InsDateCompleted Range from 09/01/2010 to 09/30/2010

Planning Commission Report for Town Council

From: Tom Bonadeo

To: Town Council

Date: October 14, 2010

Subject: Report for Planning Department

Planning Commission Meeting–October 5

1. The Planning Commissions meeting was held on Tuesday of last week.

2. The Planners continued discussions on the Technology and Tourism Zones. Locations, business types and incentives were discussed. The recommendation provided to you is the result of their research and deliberation.

3. The Commission took up the required zoning change for Group Homes in the R-1 zone. The State Code change requires that localities allow Group Homes of up to 8 residents and a full time live-in administrator in the single family zones. The commission has scheduled a public hearing for their next meeting.

4. The Commission also took up the Temporary Family Health Care Structures as required by the General Assembly. A Temporary Family Health Care Structure, also known as a "granny pod" is a temporary accessory structure for the care of a related family member and is no more than 300 square feet. This change will also require a public hearing and it is scheduled for the next Commission meeting.

5. The Chesapeake Bay Preservation Act Ordinance requires a 10 year compliance review. Since the Town of Cape Charles was one of the first to adopt this ordinance we are the first for review. The preliminary study will require some changes to the zoning ordinance and the Commission is addressing those.

6. The planner has been working on the following projects
   a. Central park – final checklist items.
   b. Beach plan for the winter.
   c. Zoning Changes
   d. Historic District Guideline review and update
   e. Boundary Adjustment

7. The Planner worked with the County Planning Staff on a joint grant application. This is the pre-application for an unusual grant that would involve transportation between Cape Charles and nearby localities. No word yet the disposition of the application.

Historic District Review Board Meeting – August 17

1. The Historic District Review Board reviewed a portion of the current guidelines and has made several suggestions for change. The review will continue for a few more meetings then be turned over to planning for review and recommendation to Council.
2. No new items were reviewed.

TOWN OF CAPE CHARLES	AGENDA TITLE: Cape Charles Police Department		AGENDA DATE October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: SEPTEMBER 2010 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: 47

Calls for Service Outside of Cape Charles: 08
10-13 Calls
(A) By Dispatch: 33
(B) By Phone via Officer/Trooper: 02
(C) In Person 20

Felony Arrests: 02

Misdemeanor Arrests: 03

DUI Arrests: 00

Traffic Summons Issued: 36

Traffic Warnings Issued: 16

Parking Tickets Issued: 05

Assisted Northampton County Sheriff's Office: 02
Assisted Virginia State Police: 02
Assisted Other Local Police:
Assisted Other Federal Agencies 01

Assisted Fire & Rescue: 09
Assisted VDOT:

Hours of Training Received & What Type? 50 man/hours firearms certification@ Exmore (Troy Ashe) firing range

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Boundary Adjustment Committee update		**AGENDA DATE:** October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Cheriton Meeting and letters of nonsupport		**ITEM NUMBER:** 6A
	ATTACHMENTS: Copies of emails from King's Creek Landing and Tower Hill and draft minutes from the last meeting		**FOR COUNCIL:** Action ( ) Information (x)
	STAFF CONTACT (s): Tom Bonadeo - Heather	**REVIEWED BY:** Heather Arcos, Town Manager	

BACKGROUND:

Council's Boundary Adjustment Committee has met with Cheriton and Supervisor Long to review their positions. It has been several months since the last joint meeting. The minutes of the meeting are attached as well as the emails from some of the entities within the adjustment area.

DISCUSSION:

The Town of Cheriton has reduced the size of its boundary adjustment. They have excluded the land south of the RR Tracks that includes Food Lion and points south. They have added some locations on the northern end as well.

The subdivisions of King's Creek Landing and Tower Hill were represented at the meeting. Both have sent emails in nonsupport of the adjustment. The emails, petitions and other information are attached.

RECOMMENDATION:

This is an update only. The committee will continue work and report as needed.

Item #_____
10/___/10 BAC

DRAFT

Cape Charles & Cheriton
Boundary Adjustment Committee
September 29, 2010
5:00 PM
Cape Charles Town Hall

ATTENDEES:
Heather Arcos, Cape Charles Town Manager
Tom Bonadeo, Cape Charles Town Planner
Mike Sullivan, Cape Charles Councilman
Larry Veber, Cape Charles Councilman
Norma Spencer, Cheriton Vice Mayor
Larry LeMond, Cheriton Councilman

Other Attendees:
Libby Hume, Cape Charles Town Clerk
9 Members of the Public

The meeting was called to order at 5:00 PM.

Heather Arcos welcomed District 2 Supervisor Sam Long and thanked him for attending. An email from Mr. David Boyd and copies of a petition to Cape Charles/Cheriton dated February 2010 and a petition to Cheriton from 2008 signed by the owners of property in the Tower Hill development opposing a boundary adjustment to include their neighborhood was distributed.

Heather Arcos stated that the last meeting of this committee was on March 22, 2010 but that the Cape Charles representatives to this committee met in July to bring new Councilman Mike Sullivan up to date regarding the goals of the committee. Councilman Mike Sullivan was introduced to the other members of the committee. Heather Arcos added that another meeting was held with the Cape Charles representatives and Supervisor Sam Long.

Tom Bonadeo reviewed the minutes from the March 22, 2010 Boundary Adjustment Committee meeting and no changes were made.

Tom Bonadeo mentioned that on August 10, 2010, the Cape Charles representatives met with Supervisor Sam Long at which the County's requirements were discussed as well as the fact that the Town of Eastville had submitted an application for a boundary adjustment in April and had recently met with the County Board of Supervisors in closed session. The minutes from this meeting was included in the agenda packet. Supervisor Long added that he had one change to make to the minutes from the August 10th meeting stating that he, not the County, was approached by the photovoltaic panel company regarding the possibility of moving to Northampton County.

Tom Bonadeo went on to explain that the Cape Charles Town Council held a work session on August 26th and agreed to move forward with the boundary adjustment process. Tom Bonadeo distributed copies of an outline he prepared showing the Northampton County requirements for boundary adjustment application submittals. Supervisor Long added that the County's requirements were a synopsis of information required by the Commission on Towns and Counties when reviewing boundary adjustments. Supervisor Long continued to inform the committee that Eastville's application was a matter of public record and Eastville followed the

County's guidelines and entered as much information as possible which took a great deal of time and effort. Since the discussions were conducted in closed session, Supervisor Long explained that he could not provide any more details. Heather Arcos added that she called County Administrator Katie Nunez requesting a copy of Eastville's application and since the application was lengthy, she was planning to go to the County offices to review it. Supervisor Long offered to provide his copy of the application to be copied.

Tom Bonadeo reviewed the outline with the committee stating that he would be putting the information together for Cape Charles but that a submittal plan needed to be discussed. There were several options: i) the two towns could submit their applications separately; ii) a combined application could be submitted; or iii) the two towns could submit separate applications at the same time. Tom Bonadeo added that several months' work would be required to compile all the information and statistical data. The timeframe and the time it would take the County to review the application was discussed. Supervisor Long explained that there was a delay in reviewing Eastville's application because it was submitted during budget review and other issues took precedence over this application.

There was further discussion regarding the County's requirements and Tom Bonadeo pointed out that the guidelines were directed more toward Towns that needed more land area for growth. This could be where Cheriton and Cape Charles differed. Cape Charles did not need more space and were looking for something different.

Larry LeMond asked whether correspondence from property owners supporting a boundary adjustment would have any effect on the County's decision. Supervisor Long responded that the towns needed to address the property owners and the impact that a boundary adjustment would have on their properties in regards to: i) availability of services, ii) whether the property owner is in favor of a boundary adjustment or not, iii) how the town would deal with agricultural land and land included in the AFD, and iv) justification of why the town needs the additional land. Supervisor Long added that the petitions provided by Mr. Boyd would weigh heavily on the outcome and both towns need to work everything out.

Larry Veber stated that he had received correspondence from Tower Hill property owners and felt that they thought that Cape Charles was after their money wanting to increase tax revenues which was not the case. It was time for the Town to hold an open meeting with the Tower Hill owners to explain to them that Council was interested in a boundary adjustment in order to be able to control development along the entrance to Cape Charles.

Tom Bonadeo asked the Cheriton representatives about their timeframe for submitting the application to the County. Larry LeMond stated that the Council had directed their Town Clerk, Stacy Salenski, to begin gathering the information needed for the application. The direction from their Council was to move forward in submitting the application as soon as possible and felt they were further along in the process than Cape Charles.

Supervisor Long stated that he would like to see Cape Charles and Cheriton continue to work together and felt that it would present a stronger case if both towns applied together.

Tom Bonadeo stated that the Memorandum of Agreement between Cape Charles and Cheriton referred to the area around Route 13 and the towns' coordinated effort needed to be concentrated in this area and the towns needed to share in the decisions along Route 13 with a dual planning zone.

Larry LeMond explained that the Cheriton Council had reduced the area to be included in their boundary adjustment request and that the boundary to the south would stop at the railroad tracks and showed the committee a map of the revised area. The Cheriton Council had studied this issue for a long time and was ready to move forward.

Heather Arcos asked when Cheriton would be ready to submit their application to the County. Larry LeMond estimated that Cheriton would be ready in approximately two months. Tom Bonadeo stated that he could probably have everything in order within that timeframe. Norma Spencer added that if Cape Charles was not ready by that time, Cheriton would move forward to submit their application separately.

Supervisor Long commented that the entire area being considered for boundary adjustment by the towns was in the County's Town Edge which was the growth areas for the County. The County would lose the growth areas if ceded to the towns. Tom Bonadeo stated that the County would not lose anything. The County would still get the tax revenue from these areas and the towns would gain control in the areas.

There was some discussion regarding the available services and the areas to be serviced by the PSA for water and sewer. Tom Bonadeo added that the Tower Hill area was not included in the initial service area for the PSA.

Larry Veber stated that the property owners in Tower Hill needed to make a decision to trust either the County or Cape Charles regarding development in the area and felt that the residents of Tower Hill would have more input as part of the Town of Cape Charles vs. the County. Larry Veber asked whether the property owners in Tower Hill were in favor of or against the proposed hotel on Route 13. Heather Arcos asked the Tower Hill residents in attendance their opinions.

The majority of the attendees stated that they did not have any opposition to the hotel. Mr. Boyd stated that he and one other resident were the only two citizens that spoke against the proposed hotel. There was some discussion whether the hotel would actually be built or not.

Mr. John Bridgeforth stated that he knew the surrounding area along Route 13 was zoned commercial when he bought his property, so the approval of a hotel was not a surprise to him but went on to state that he was against the transfer of his property from the County to the Town of Cape Charles and falling under the restrictions of the Town, i.e., losing the ability to fire a shot gun or hunt on his property.

Supervisor Long left the meeting at 5:35 p.m. due to a commitment for another meeting.

Tom Bonadeo summarized that Cape Charles needed to gather the information necessary for the application, which would take approximately 30 days, and schedule public meetings with property owners in the areas included in the boundary adjustment. Cheriton would be kept informed of the progress. Tom Bonadeo went on to state that the Cape Charles Planning Commission could review the information at their November 2nd meeting and the public meeting could be held in early November.

Heather Arcos added that the Cape Charles Planning Commission had been unable to schedule a joint meeting with the Cheriton Planning Commission but were ready to meet with Cheriton at any time and asked whether the Cheriton Planning Commission had been involved in this

process. The Cheriton representatives stated that they had not been involved and met only as needed.

Heather Arcos stated that the information regarding the property owners in the proposed area would have to be researched so the Town could notify them of the public meeting once it has been scheduled. Mike Sullivan added that the area consisted of Tower Hill, Kings Creek Landing, Parsons Circle and Old Cape Charles Road.

The next meeting would be scheduled for late October, the date to be determined later.

The meeting adjourned at 5:45 PM.

DRAFT

Libby Hume

From: DAVID BOYD <dboyd351@verizon.net>
Sent: Wednesday, September 29, 2010 7:48 AM
To: Libby Hume; Alice Morehouse; D Boyd; Katie Nunez; Sandra Benson
Cc: Dora Sullivan; David Boyd; Alice and David Moorehouse; Carolyn Elliot; Chris Schwab; David Boyd; David Schwab; David Work; gerry hutchings; Ivy Weitzner; Joe Isyk; John Bridgforth; Judi Adams; Kevin Sullivan; lara &JP; Robert Simpson; Russ & Jen Moore; Ted Lemmon; Terri Russel; Toni Driscoll
Subject: Re: 9/29/10 Boundary Adjustment Committee Meeting Agenda Packet
Attachments: 2010 annexation petition, p1.pdf; 2010 annexation petition, p2.pdf; Cheriton annexation petition 2008.doc; Cheriton annexation petition 2008.wps

Libby,
Can I send you something to be incorporated into the minutes of tonight's Boundary Adjustment Committee meeting? You may recall at one of the last meetings of the Boundary Adjustment Committee I tried to sign up to speak and was not allowed to sign up. Eventually they let me speak, but nothing I said made it into the minutes. So, I'd like to get you to include the 2 petitions I'm attaching into the minutes of tonight's meeting, so it is in the official record. What I'm attaching are 2 petitions from this year and from 2008 showing virtually unanimous opposition in Tower Hill to any Boundary Adjustment or annexation by either Cheriton or Cape Charles.

Thank you,
David Boyd

From: Libby Hume <clerk@capecharles.org>
To: Alice Morehouse <dcammorehouse@aol.com>; D Boyd <dmb4dd@virginia.edu>; David Boyd <dboyd351@verizon.net>; Katie Nunez <knunez@co.northampton.va.us>; Sandra Benson <sbenson@co.northampton.va.us>
Sent: Wed, September 22, 2010 3:21:29 PM
Subject: 9/29/10 Boundary Adjustment Committee Meeting Agenda Packet

Good afternoon, everyone!

A Cape Boundary Adjustment Sub-Committee meeting has been scheduled for next Wednesday, 9/29, beginning at 5:00 PM at the Cape Charles Town Hall. Attached is the agenda and information for meeting.

Please let me know if you have any problems with the attachment or if you need anything else.

Thanks and have a great afternoon/evening!
Libby

Petition to Cape Charles/Cheriton

We, the undersigned residents of Tower Hill, submit this petition opposing the proposed Boundary Adjustment/annexation of our neighborhood by the town of Cape Charles, the town of Cheriton or by any other entity - 2/10/2010

Name	Address	Phone Number
[illegible]	22146 Verlinda Landing	331-2866
Marianne Boyd	22146 Verlinda Landing	331-2866
[illegible]	22068 VERLINDA LANDING N.	331-1350
[illegible] Williams	22068 VERLINDA LANDING N.	331-1350
Carolyn J. Elliott	22026 Verlinda Landing N.	331-1917
[illegible] Elliott	22026 VERLINDA LANDING N.	331-1917
[illegible]	22033 " " N.	331-1302
[illegible]	22033 " "	970-389-0488
[illegible]	22033 Verlinda Landing N.	970-390-6739
[illegible]	22233 Verlinda Landing S	(757) 331-3646
Jennifer [illegible]	22232 Verlinda Ldg S	(757) 650 3259
Virginia Thompson	22232 Verlinda Ldg S	(757) 331-2575
Robert Thompson	22232 Verlinda Ldg S	331-2575
Aileen Andrews	3142 Finsbury P. Lane	331-1604
Lou Maglia	"	"
[illegible]	22260 Verlinda Landing South	757-695-77[illegible]
Denise Kadis	3234 Tower Hill Cir Cape Charles VA 23310-3	331-4513
[illegible]	22076 Verlinda Landing North	695-0044

Petition to Cape Charles/Cheriton

We, the undersigned residents of Tower Hill, submit this petition opposing the proposed Boundary Adjustment/annexation of our neighborhood by the town of Cape Charles, the town of Cheriton or by any other entity - 2/10/2010

Name	Address	Phone Number
[illegible]	11220 Verlinda Landing North	703-298-6230
[illegible]	11220 Verlinda Landing North	703-298-1302
Dana Fanton	3161 Bunbury Plantation	757 607 532 62
P. G. Watson III	[illegible] Verlinda Landing South	757-695-2779
ALEX MUNZ	TH LOT 16, 29, 37	757-331-0277
[illegible]	" " 37	757-636-7777
[illegible]	3056 Bowden Landing	757-331-1355
[illegible]	22067 Verlinda Landing N	757-331-3173
[illegible]	22067 Verlinda Landing N	757 331-3173
[illegible]	3056 Bowden Landing	757-331-1355
E.T. LEMMON	22220 VERLINDA LANDING SOUTH	757-620-0370

Petition to the town of Cheriton

I oppose the proposal by the town of Cheriton to expand their boundaries to include properties on the West side of US route 13, such as Tower Hill, within the Cheriton town limits.

Signature	Printed Name	Address
[illegible]	M. Brown	22083 Verlinda Landing N
[illegible]	Neil W. Adams	22068 Verlinda Landing N
[illegible]	Lynn [illegible]	22260 Verlinda Landing South
[illegible]	P. G. Watson	22260 Verlinda Landing South
[illegible]	Phyllis Simpson	22232 Verlinda Landing South
[illegible]	Robert Simpson	" "
[illegible]	Eileen Hudkins	3142 Bunbury Plantation Lane
[illegible]	Louis Moglia	" " "
[illegible]	Kimberly Sullivan	22110 Verlinda Landing North
[illegible]	Kevin Sullivan	22110 Verlinda Landing North
Marianne Boyd	Marianne Boyd	22146 Verlinda Landing N
[illegible]	David Boyd	22146 Verlinda Landing N
[illegible]	David Morehouse	22067 Verlinda Landing N
[illegible]	Alice Morehouse	22067 Verlinda Landing N
[illegible]	Monika Bridgford	22076 Verlinda Landing N.
[illegible]	John Bridgford	22076 Verlinda Landing N
[illegible]	G.M. Elliott	22026 Verlinda Landing N.
[illegible]	Carolyn Elliott	22026 Verlinda Landing N.
[illegible]	Dray Summer	3285 Tower Hill Circle
[illegible]	Serge Doh	3161 Bunbury Plantation Ln 23310
[illegible]	Jennifer Moore	22239 Verlinda Landing S. 23310
[illegible]	Russell Moore	22239 Verlinda Landing S 23310
[illegible]	Denise Klebs	3254 Tower Hill Circle

Libby Hume

From: David Schwab <dschwab@djscon.com>
Sent: Friday, October 01, 2010 9:22 AM
To: towncouncil@capecharles.org
Subject: Fw: Cape Charles Boundary Adjustment meeting yesterday

Dear Cape Charles Town Council,

In response to Mr. Boyd's position concerning Tower Hill as conveyed in his e-mail below, I would ask that **Kings Creek Landing** be added to your list as being fimly **opposed** to inclusion in any boundary adjustment by the Town of Cape Charles.

If a formal petition stating our intent is required please let me know and we will procure one at our next Home Owners Association meeting later this month.

Thank you

Dave

David J. Schwab
Blue Pointe Advisors, LLC
Cape Charles, VA.
dschwab@djscon.com

" Quality content for your company's Online Marketing"

----- Forwarded Message ----
From: David Boyd <dmb4dd@cms.mail.virginia.edu>
To: Alice and David Moorehouse <dcammorehouse@aol.com>; Carolyn Elliot <cteshore@aol.com>; Chris Schwab <chris@schneiderdev.com>; David Schwab <dschwab@djscon.com>; gerry hutchings <hutchi3@verizon.net>; Ivy Weitzner <ifweitzner@aol.com>; Joe Isyk <joeisky@aol.com>; John Bridgforth <john.bridgforth@gmail.com>; Judi Adams <jha5555@msn.com>; Kevin Sullivan <kevinsulliva@gmail.com>; lara &JP <laraKCL@aol.com>; Robert Simpson <robertsimpson2@verizon.net>; Roger Munz <roger_munz@yahoo.com>; Russ & Jen Moore <lithe1@verizon.net>; Ted Lemmon <TedLemmon@TedLemmon.com>; Terri Russel <vabeacht1@aol.com>; Toni Driscoll <tonisky@aol.com>
Cc: Granville Hogg <ghogg@verizon.net>; R Meyers <meyersrh@verizon.net>
Sent: Thu, September 30, 2010 3:02:56 PM
Subject: Cape Charles Boundary Adjustment meeting yesterday

A little up date for those of you who were unable to attend:

The Boundary Adjustment meeting yesterday was a substantial improvement on earlier meetings of that committee. They started off the meeting reading an e-mail I sent them regarding Tower Hill's petitions and opposition to being annexed/boundary adjusted. They now have both the 2008 and 2010 Tower Hill petitions entered into the official records of the committee. Sam Long was there for the first part of the meeting and it was noted that the Board of Supervisors had a long, detailed set of guidelines and questions that any town proposing a Boundary Adjustment would have to answer, including many questions about the services the town could provide to the area to be incorporated, the timeline of when those services could be provided, a survey of the residents to determine whether they were willing participants in the Boundary Adjustment and an analysis of whether 70-80 % of the buildable lots in the incorporating town had been developed. It was noted Cape Charles might have a very difficult time with

these questions. It was also noted Chertion's impetus for the Boundary Adjustment hinged more on needing additional land, while Cape Charles wanted to control the area around the town.

Cheriton stated they no longer wanted to include Tower Hill in their Boundary Adjustment. There was discussion of Tower Hill's opposition to being incorporated by Cape Charles and Larry Veber said he thought it was time Cape Charles held a meeting with the residents of Tower Hill and discussed their concerns. Larry said everything he had been hearing was that Tower Hill residents thought Cape Charles only wanted their taxes and could provide Tower Hill nothing they wanted or needed. Larry suggested Tower Hill would benefit from being part of Cape Charles because Cape Charles could protect Tower Hill from unwanted development on the highway. John Bridgforth pointed out that there were freedoms we enjoyed as county residents that would be taken away if we became part of Cape Charles. Neil Adams said he bought in Tower Hill because he did not want to be part of Cape Charles. Joe Isyk and George Elliot also expressed concerns about being incorporated by Cape Charles.

Cheriton representatives noted that they were further along in the Boundary Adjustment process than Cape Charles, since Cheriton had conducted public hearings on the issue early in the year. Someone asked if Beverly Harper was still working with Cheriton and Larry Lemond said no. Cheriton's representatives stated that if Cape Charles was not going to be ready to proceed in the next few months, Cheriton might go forward on their own. Cape Charles responded that they would hurry up and get ready.

All in all, I think Tower Hill made substantial progress yesterday. We got our petition and opposition to being part of Cape Charles read into the record, so they can't easily ignore us any more. We had more residents show up to offer support for our position than we have had at any previous meeting. We got Cape Charles to admit they need to address our concerns. Cheriton stated publically to Cape Charles that they were not interested in acquiring us (remember Cape Charles was telling us all last spring they had to include us in their Boundary Adjustment to keep Cheriton from getting us?). I am of the opinion that everyone involved is now quite aware Tower Hill is ready and willing to fight Cape Charles to keep from being part of a hostile takeover. It was very helpful that we were able to muster a substantial number of residents to attend the meeting on 1/2 day notice (that's when we found out our petition would be presented to the committee).

I want to thank everyone who came to the meeting to show support. I'm sure it made a difference.
Thanks,
David Boyd

TOWN OF CAPE CHARLES	AGENDA TITLE: Peddler's License Ordinance Update		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Town Code revision to §38-36 to better define peddlers and itinerant merchants.		ITEM NUMBER: 6B
	ATTACHMENTS: Ordinance #20101014		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT (s): Tom Bonadeo, Town Planner	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Town Code section for retail licenses has a rather short and incomplete definition of retail sales categories. This code change is intended to better define the "peddler and itinerant merchant" section of the code and to clarify the retail licenses available in Cape Charles.

DISCUSSION:

A work session was held on August 26th, where staff presented retail license options related to peddlers and itinerant merchants and the concern was for the preservation of existing businesses and their ability to compete in the "peddler" environment. The proposed changes resulting from the work session were reviewed at the September 9th regular meeting. After much discussion, additional changes were recommended and the Council reached a consensus that non-food vendors would not be permitted in Town and references to "retail" were deleted.

A public hearing has been scheduled for October 14th immediately preceding the regular Town Council meeting to hear public comment regarding these changes.

RECOMMENDATION:

Staff recommends adoption of Ordinance #20101014 approving the modifications to Chapter 38, Article II, § 38-36 of the Town Code.

ORDINANCE NO.: 20101014

TO MODIFY SECTION 38-36 – RETAILERS OF THE CAPE CHARLES TOWN CODE

WHEREAS, Section 38-36 of the Cape Charles Town Code has a short and incomplete definition of retail sales categories; and

WHEREAS, in order to expand and clarify the definition of retail licenses available in the Town of Cape Charles;

THEREFORE, BE IT ORDAINED by the Town Council of the Town of Cape Charles this 14th day of October, 2010 that:

Section 38-36 of the Cape Charles Town Code be modified as follows:

(d) Food Carts/Open Trailers – Food sales from a cart or trailer that is not enclosed and not self - propelled. Carts or trailers shall be moved daily and only allowed in the public right of way or public property as specified by the Town Manager and in accordance with Section 62-11. A Dept. of Health Certification is required for food sales and no generators are allowed.

1. The license tax for a peddler is $50.
2. The license tax for an existing business is $0.20/$100 of gross sales.

(e) Food Trailers (Enclosed) – Food sales from a trailer that is enclosed and may have a generator or electrical service connection. The trailer must be moved daily and only allowed in the public right of way as specified by the Town Manager and in accordance with Section 62-11. A Dept. of Health Certification is required for food sales.

1. The license tax is $500.

(f) Bona-fide producers of goods or food and catchers of seafood are required to obtain a license from the Town at no cost. As defined in Section 58.1-3719 of the Code of Virginia, Bona-fide producers are: i) A distributor or vendor of seafood who catches seafood and sells only the seafood caught by him; ii) A farmer or producer of agricultural products who sells only the farm or agricultural products produced or grown by him; iii) A farmers' cooperative association.

1. A license is required at no cost.

(g) Food Vehicles – Food Sales from a vehicle including but not limited to ice cream, candy, soft drinks. The vehicle may be a golf cart, car, truck, bicycle or other mobile vehicle Sales from vehicles are subject to Sect. 62-11 and may also be subject to locations as allowed by the Town Manager and approved by the Chief of Police. A Dept. of Health Certification is required for food sales.

1. The license tax is $ 50.

(h) As used in this section, the term "itinerant merchant" means any person who engages in, does or transacts any temporary business within the town and who, for purposes of carrying on such business, occupies any private property location for a period of less than one year.

1. The license tax is $50.

****

Adopted by the Town Council of Cape Charles on this 14th day of October, 2010.

Mayor Dora Sullivan

Town Clerk

TOWN OF CAPE CHARLES	AGENDA TITLE: Economic Development Access Program (EDAP) – Industrial Access Road		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: New access road into Cape Charles Marine Industrial Park and Bayshore Concrete		ITEM NUMBER: 6C
	ATTACHMENTS: Bring VDOT booklet from last meeting		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT (s): Tom Bonadeo - Heather	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

Council asked Planning Commission to review and make recommendation for the possible participation in an EDAP road project. This road would connect Old Cape Charles Road with Bayshore Road without going by the Harbor entrance and would keep this industrial traffic separated from other Harbor traffic.

The Planning commission studied the road location, gathered input from stakeholders and reviewed EDAP as managed by VDOT. The Commission recommended the development of the road based on input from stakeholders, review of old and new road projects and the potential financial cost to the Town in their relation to the value to the stakeholders.

DISCUSSION:

The construction of this road is currently contingent upon the application and funding of an EDAP grant. The Planning Commission recommended the road but also recognized that the details are really in the EDAP process. There are numerous items that need to be satisfied prior to submitting an application.

The EDAP process is between VDOT and a locality. This presents some caution as many of the requirements have to do with the locality, the localities willingness to pay, public vs. private land, adequate access and the choice of project type. Once all those things have been satisfied the application could move forward.

The Planning Commission recommended thorough legal review of the process prior to any action. There is a set of rules and requirements in the VDOT manual that provide some hurdles to overcome prior to preparing an application.

RECOMMENDATION:

Staff recommends that Council engage legal counsel to work with staff to review the EDAP process and develop an action plan.

TOWN OF CAPE CHARLES	AGENDA TITLE: Mason Ave. Pump Station Upgrade and Force Mains Project.		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Award construction contract or re-bid the project.		ITEM NUMBER: 6D
	ATTACHMENTS: None		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT (s): Bob Panek	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

To minimize the potential of sewage overflows, we have been planning to upgrade the Mason Ave. pump station and re-route the force mains from the Fig St. and Mason Ave. pump stations directly to the new wastewater treatment plant. We planned to spend about $1.2 million on this effort. About $663 thousand will be funded via an Environmental Protection Agency grant which has been transferred from Northampton County to the Town. The balance will be funded via low interest Recovery Zone Economic Development Bonds provided by the American Recovery and Reinvestment Act (ARRA). Construction bids were received from four contractors on 9-28-2010.

DISCUSSION:

The project was originally planned as "design to budget" for:

1. Upgrade of the four pump stations in the historic district, focusing on correcting the performance problems at the Mason Ave. pump station.
2. Re-route of the Fig St. pump station force main to reduce flow to the Mason Ave. pump station.

Additional significant problems were discovered as the design progressed:

1. The existing 6" Mason Ave. force main was undersized once the pump station was upgraded.
2. The Mason Ave. pump station was built below the flood plain contrary to state regulations.

The project was adjusted to correct these issues, adding over 3,400 feet of 10" pipe and a new control building. Lower priority upgrades of the Pine St., Plum St. and Washington Ave. pump stations were removed from the project in an effort to remain close to budget. GHD's estimate of probable cost was about 17% higher than the original budget.

Construction bids ranged from a high of $3.15 million to a low of $1.86 million. The low bid from Mid East Builders is well above both the original budget and the engineer's estimate. GHD is currently negotiating with Mid East Builders to tailor the work to reduce the price.

The original $1.2 million project would add about $2.65 to the monthly sewer rate. Each $100,000 above that amount would add another $0.49. The impact to the monthly rate would be ameliorated as additional users are added.

Council will need to make a determination on contract award when negotiations are completed. It is anticipated that the results of the negotiation will be available at the Council Meeting.

RECOMMENDATION: Either approve award of the construction contract or re-bid the project.

TOWN OF CAPE CHARLES	AGENDA TITLE: PNC Bank Credit Line Resolution		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Review and Adopt Tax Revenue Anticipation Note Resolution #20101014 for a credit line through PNC Bank		ITEM NUMBER: 6E
	ATTACHMENTS: Resolution #20101014		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT(s): Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

During the budget work sessions, former Councilman John Burdiss suggested the Town obtain a credit line through a local bank to be used as needed. The Council agreed that such a credit line would be beneficial for Town operations in that the amounts could be repaid within several years vs. stretching repayment over 20 to 30 years. This would allow the Town to take care of maintenance issues caused by years of neglect.

DISCUSSION:

Town Manager Heather Arcos and Treasurer JoAnna Leatherwood met with representatives from PNC Bank, Shore Bank and BB&T regarding their offerings for credit lines.

PNC Bank offered the Town a $500K line of credit at an attractive rate as well as other services which could benefit the Town and its employees.

RECOMMENDATION:

Staff recommends review and adoption of the attached resolution.

TOWN OF CAPE CHARLES

TAX REVENUE ANTICIPATION NOTE RESOLUTION #20101014

RESOLUTION AUTHORIZING THE ISSUANCE OF A GENERAL OBLIGATION TAX AND REVENUE ANTICIPATION NOTE OF THE TOWN OF CAPE CHARLES, VIRGINIA, AND PROVIDING FOR THE SALE, FORM, DETAILS AND PAYMENT THEREOF AND AUTHORIZING CERTAIN RELATED ACTIONS

WHEREAS pursuant to the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia 1950, as amended (the "Act"), the Town of Cape Charles, Virginia (the "Town") is authorized to issue notes in anticipation of the collection of taxes and revenues for the current fiscal year in which the notes are issued,

WHEREAS the Town Treasurer has reported to the Town Council of the Town that the Town may need to borrow an amount not in excess of $500,000 in order to pay expenses expected to be incurred before the collection of taxes and revenues of the Town for the current fiscal year,

WHEREAS The Town Council desires to provide for the issuance of a tax and revenue anticipation note in the maximum amount of $500,000,

THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CAPE CHARLES, VIRGINIA:

ARTICLE I
GENERAL PROVISIONS

Section 1.1. Authorization of Note. It is hereby determined to be advisable, necessary and expedient for the Town in the current fiscal year to borrow up to $500,000 in anticipation of the collection of taxes and revenues for the year. Pursuant to the Constitution of Virginia and the Act, there is hereby authorized to be issued and sold a tax and revenue anticipation note of the Town in the maximum principal amount of $500,000 (the "Note").

To the extent permitted by Section 15.2-2601 of the Act, the Town Council of the Town (the "Town Council") hereby elects to issue the Note under the provisions of the Act without regard to the requirements, restrictions or other provisions contained in any charter or local or special act.

Section 1.2. Details of Note. The Note shall be issued as a fully registered note without coupons in a principal amount not to exceed $500,000. The Note shall be dated the date of its delivery to the purchaser of the Note. The Note shall bear interest from its dated date at a rate equal to 65% of Prime Rate plus 121 basis points. "Prime Rate" means the rate of interest publicly announced by PNC Bank,

National Association from time to time as the prime rate of the Bank, adjusted as of the date of an announcement of any change in such prime rate. The principal of and interest on the Note shall be due and payable on June 30, 2011. Each of the Mayor and the Vice-Mayor of the Town is hereby authorized to establish, before the closing date, the principal amount of the Note and the other final details of the Note, including but not limited to any provisions required by the purchaser of the Note for the maintenance of a certain yield if certain events occur relating to the taxation of the interest on the Note; provided, however, that the principal amount of the Note shall not exceed $500,000. The execution and delivery of the Note as described in Section 1.4 hereof shall conclusively evidence such amount and other final details as having been so established and authorized by this resolution.

Section 1.3. Pledge of Full Faith and Credit. The Note shall be payable from the collection of the taxes and revenues of the Town for the fiscal year in which such Note is issued. In addition, the Note shall be a general obligation of the Town for which the full faith and credit of the Town are irrevocably pledged for the payment of principal of and interest on the Note. Unless other funds are lawfully available and appropriated for timely payment of the Note, the Town Council shall levy and collect an ad valorem tax, over and above all other taxes authorized or limited by law, on all locally taxable property in the Town sufficient to pay when due the principal of and interest on the Note.

Section 1.4. Redemption. The Note shall be subject to prepayment in whole or in part at the option of the Town before its stated maturity at any time without penalty or premium.

Section 1.5. Execution of Note. The Note shall bear the manual signatures of the Mayor of the Town and shall bear a manually impressed or imprinted facsimile of the seal of the Town. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until such delivery. The Note may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign the Note although at the date of the Note such persons may not have been such officers.

Section 1.6. Form of Note. The Note shall be in substantially the following form with such appropriate variations, insertions and omissions as shall be consistent with this resolution:

UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA
TOWN OF CAPE CHARLES

General Obligation Tax and Revenue Anticipation Note

INTEREST RATE:	65% of Prime Rate plus 121 basis points
MATURITY DATE:	June 30, 2011
DATED DATE:	September ____, 2010
REGISTERED OWNER:	PNC Bank, National Association
PRINCIPAL AMOUNT:	$500,000.00

The Town of Cape Charles, Virginia (the "Town"), for value received, hereby acknowledges itself indebted and promises to pay to the registered owner hereof, or registered assigns, upon presentation and surrender hereof at the office of the Registrar, the principal sum set forth above together with interest at the per annum interest rate shown above from the date of this note on the unpaid principal on the maturity date set forth above. "Prime Rate" means the rate of interest publicly announced by PNC Bank, National Association from time to time as the prime rate of the Bank, adjusted as of the date of an announcement of any change in such prime rate. Interest on this note shall be calculated on the basis of a 30 day month/360 day year for the number of days elapsed.

Principal and interest shall be payable, upon presentation and surrender of this note, in lawful money of the United States of America to the registered owner, determined as of the fifteenth day preceding the Maturity Date, at its address as it appears on the registration books kept for that purpose at the office of the Town Treasurer, Cape Charles, Virginia, who has been appointed Registrar. If the maturity date is a date on which banking institutions are authorized or obligated by law to close at the place where the office of the Registrar is located, then payment of principal and interest need not be made on such date, but may be made on the next succeeding date which is not such a date at the place where the office of the Registrar is located, and if made on such next succeeding date no additional interest shall accrue for the period after such Maturity Date. Upon final payment, this note shall be surrendered to the Registrar for cancellation.

This note has been authorized by a resolution duly adopted by the Town Council of the Town on _____ (the "Resolution"), and is issued pursuant to the Constitution and applicable statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991 (Chapter 26, Title 15.2, Code of Virginia of 1950, as amended) in anticipation of the collection of taxes and revenues of the Town for the current fiscal year. A copy of the Resolution is on file at the office of the Registrar. Reference is hereby made to the Resolution and any amendments thereto for the provisions, among others, describing the terms and conditions upon which this note is issued, the rights and obligations of the Town and the rights of the holder of this note.

This note and the interest hereon are payable from the collection of taxes and

revenues of the Town for the current fiscal year. In addition, the full faith and credit of the Town are irrevocably pledged for the payment of the principal and interest of this Note in accordance with its terms. The Town Council is required to levy an annual ad valorem tax upon all property in the Town subject to local taxation sufficient to pay the principal of and interest on this Note as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment hereof.

The Town Council of the Town has designated this note as a "Qualified Tax-Exempt Obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

This note shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this note have happened, exist and have been performed, and this note, together with all other indebtedness of the Town, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Town Council of The Town of Cape Charles has caused this note to be issued in the name of the Town and to bear the manual signatures of its Mayor and Clerk, its seal to be imprinted or impressed hereon, and this note to be dated as of the dated date shown above.

SEAL

Attest: **SPECIMEN** **DO NOT SIGN**	**SPECIMEN** **DO NOT SIGN**
Clerk, Town Council of the Town of Cape Charles, Virginia	Mayor, Town Council of the Town of Cape Charles, Virginia

Section 1.7. Registrar. The Town Treasurer is hereby appointed Registrar for the Note.

Section 1.8. Registration and Transfer. The Registrar shall cause books for the registration and transfer of the Note to be kept at the office of the Registrar, and the Town hereby instructs the Registrar to keep such books and to make such registrations and transfers under such reasonable regulations as the Town Council or the Registrar may prescribe. Transfer of the Note may be registered upon books maintained for this purpose at the office of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the

person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

Upon surrender for transfer of the Note at such office, the Mayor and the Clerk shall execute and the Registrar shall deliver in the name of the transferee a new Note, subject in each case to such reasonable regulations as the Town Council or the Registrar may prescribe. If presented for transfer, the Note (if so required by the Town Council or the Registrar) shall be accompanied by a written instrument or instruments of transfer in form and substance reasonably satisfactory to the Town Council and the Registrar, duly executed by the registered owner or by his duly authorized attorney-in-fact or legal representative. The Note may not be registered to bearer.

Neither the Town Council nor the Registrar shall be required to issue or transfer the Note for a period of fifteen days next preceding the maturity date of the Note.

The new Note delivered upon any transfer shall be a valid obligation of the Town, evidencing the same debt as the Note surrendered, shall be secured by this Resolution and entitled to all of the security and benefits hereof to the extent as the Note surrendered.

Section 1.9. Charges for Transfer. No service charge shall be made for any transfer of the Note, but the Town Council may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Section 1.10. Sale and Award of Note.

(a) The proposal of PNC Bank, National Association to purchase the Note for an amount equal to the principal amount of the Note, is hereby determined, after mature consideration of the methods of sale of the Note and current conditions of the municipal bond market, to be in the best interest of the Town, and the Note is hereby awarded to such bank.

(b) The Mayor and Clerk of the Town Council are hereby authorized and directed to take all proper steps to have the Note prepared and executed in accordance with the terms of this resolution. Proceeds derived from the sale of the Note shall be paid to, or at the direction of, the Town Treasurer who shall promptly deposit the funds in a bank or other depository to the credit of the Town.

Section 1.11. Representation of the Town. The Town Council represents that the anticipated amount of taxes and revenues to be collected for the current fiscal year is in excess of $500,000, that no loans have been made in anticipation of the collection of the taxes and revenues of the Town for the current fiscal year, and

that, at the time of issuance of the Note, no such loans for preceding years will be outstanding and unpaid.

ARTICLE II
PARTICULAR COVENANTS

Section 2.1. Payment of Note. The Town shall pay promptly, as provided herein, the principal of and interest on the Note. To the extent allowed by law, the taxes and revenues of the Town for the current fiscal year are hereby pledged to the payment of the Note. Nothing in the Note or in this Resolution shall be deemed to create or constitute an indebtedness of the Commonwealth of Virginia or any political subdivision thereof other than the Town, or a pledge of the full faith and credit of the Commonwealth of Virginia or of any political subdivision thereof other than the Town.

Section 2.2. Maintenance of Tax-Exempt Status.

(a) No Adverse Action: The Town shall not take any action that would adversely affect the exemption of interest on the Note from Federal income taxation. The Town shall, to the extent permitted by Virginia law, take all actions necessary to maintain the tax-exempt status of interest on the Note under Federal and Virginia law, including all actions necessary to comply with Section 103 or Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations promulgated by the Treasury Department with respect thereto. Without limiting the generality of the foregoing, the Town shall comply with any provision of law which may require the Town at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Note, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Note from being includable in the gross income for Federal income tax purposes of the registered owners thereof under existing law.

(b) Arbitrage/Investment: The Town shall not take or approve any action, investment or use of the proceeds of the Note that would cause the Note to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder. The Town, barring unforeseen circumstances, shall not request or approve the use of the proceeds of the Note other than in accordance with the Town's "non-arbitrage" certificate delivered at the time of the issuance of the Note.

(c) Information Report: The Town shall file the information report with respect to the Note required by Section 149(e) of the Code within the time provided in such Section.

(d) Not Federally Guaranteed: The Town represents that the Note is

not and will not be "federally guaranteed," as such term is used in Section 149(b) of the Code.

(e) Designation as Qualified Tax-Exempt Obligation: The Note is not a private activity bond and is hereby designated by the Town Council as a Qualified Tax-Exempt Obligation, as defined in Section 265(b)(3) of the Code. The Town hereby represents and covenants as follows:

(i) The Town Council will in no event designate more than $30,000,000 of obligations as qualified tax-exempt obligations in the current calendar or fiscal year, including the Note, for the purpose of Section 265(b)(3) of the Code;

(ii) The Town, all its "subordinate entities," within the meaning of Section 265(b)(3) of the Code, and all entities which issue tax-exempt bonds on behalf of the Town and such subordinate entities have together not authorized to be issued more than $30,000,000 of tax-exempt obligations in the current calendar or fiscal year (not including "private activity bonds," as defined in Section 141 of the Code, other than "qualified 501(c)(3) bonds," as defined in Section 145 of the Code), including the Note;

(iii) Barring circumstances unforeseen as of the date of delivery of the Note, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Town and such other entities in the current calendar or fiscal year, result in the Town and such other entities having issued a total of more than $30,000,000 of tax-exempt obligations in such year (not including private activity bonds, other than qualified 501(c)(3) bonds), including the Note; and

(iv) The Town Council has no reason to believe that the Town and such other entities will issue in the current calendar or fiscal year tax-exempt obligations in an aggregate amount that will exceed such $30,000,000 limit;
provided however, that if the Town receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (i) to (iv) above is not required for the Note to be a qualified tax-exempt obligation, the Town need not comply with such restriction.

(f) Small Issuer Exception from Rebate Requirement: The Town Council hereby represents and covenants as follows:

(i) The Town, all its "subordinate entities," within the meaning of Section 148(f)(4)(iii) of the Code, and all entities which issue tax-exempt obligations on behalf of the Town and such subordinate entities have together not

authorized to be issued in the current calendar or fiscal year more than $5,000,000 of tax-exempt obligations (not including private activity bonds), including the Note;

(ii) Barring circumstances unforeseen as of the date of delivery of the Note, the Town will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Town and such other entities in the current calendar or fiscal year, result in the Town and such other entities having issued a total of more than $5,000,000 of tax-exempt obligations in such year (not including private activity bonds), including the Note;

(iii) The Town Council has no reason to believe that the Town and such other entities will issue tax-exempt obligations in the current calendar or fiscal year in an aggregate amount that will exceed such $5,000,000 limit; and

(iv) At least 95% of the proceeds of the Note shall be used for "local government activities" of the Town within the meaning of Section 148(f)(4)(i) of the Code; provided, however, that (A) each of the $5,000,000 amounts in the preceding provisions shall be increased by the lesser of $10,000,000 or so much of the tax-exempt obligations as are attributable to financing the construction of public school facilities, and (B) if the Town receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (i) to (iv) above will not prevent the Town from having to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Note, the Town need not comply with such restriction.

(g) Private Use and Loan Restrictions: The Town Council hereby covenants that it will not permit the proceeds of the Note to be used in any manner that would result in (a) 5% or more of such proceeds being used in a trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds being used with respect to any output facility (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit as provided in Section 141(c) of the Code; provided, however, that if the Town receives an opinion of nationally recognized bond counsel that compliance with any such covenant is not required to prevent the interest on the Note from being includable in gross income for Federal income tax purposes of the registered owner thereof under existing law, the Note need not comply with such covenant.

ARTICLE III
MISCELLANEOUS

Section 3.1. Contract with Noteholder. The provisions of this resolution shall constitute a contract between the Town and the holder of the Note for so long as the Note is outstanding.

Section 3.2. Authority of Officers and Agents. The officers and agents of the Town shall do all acts and things required by them of this resolution and the Note for the complete and punctual performance of all the terms, covenants and agreements contained therein. The appropriate officers of the Town are further authorized and empowered to take such other action as they may consider necessary or desirable to carry out the intent and purpose of this resolution, and the issuance of the Note.

Section 3.3. Limitation of Liability of Officials of Town. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of an officer, employee or agent of the Town in his or her individual capacity, and no officer of the Town executing the Note shall be liable personally on the Note or be subject to any personal liability or accountability by reason of the issuance thereof. No officer, employee or agent of the Town shall incur any personal liability with respect to any other action taken by him or her pursuant to this resolution, provided he or she acts in good faith.

Section 3.4. Conditions Precedent. Upon the issuance of the Note all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia or this resolution to have happened, exist and to have been performed precedent to or in the issuance of the Note shall have happened, exist and have been performed.

Section 3.5. Non-Arbitrage and Other Certificates. The Mayor, the Town Administrator and such other officers as may be requested are hereby authorized to sign appropriate certificates setting forth, among other things, the expected use and investment of the proceeds of the Note in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and regulations issued pursuant thereto, applicable to "arbitrage bonds." Such certificates may also contain certain elections with regard to Section 148 of the Code and such officers are hereby authorized to make such elections on behalf of the Town and the Town Council.

Section 3.6. Headings. Any headings in this resolution are solely for convenience of reference and shall not constitute a part of the resolution nor shall they affect its meaning, construction or effect.

Section 3.7. Severability. If any court of competent jurisdiction shall hold any provision of this resolution to be invalid and unenforceable, such holding shall not invalidate any other provision hereof.

Section 3.8. Effective Date. This resolution shall take effect immediately. All ordinances, resolutions or parts thereof in conflict herewith are hereby repealed.

Section 3.9. Filing of Resolution. The Clerk of the Town Council is hereby authorized and directed to see to the immediate filing of a certified copy of this resolution with the Clerk of the Circuit Court of the County of Northampton, Virginia, pursuant to Section 15.2-2607 of the Act.

Adopted: October 14, 2010

_____
Mayor of the Town of Cape Charles, Virginia

ATTEST:

_____
Clerk of the Town of Cape Charles, Virginia

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Reappointment of Members for Planning Commission and Other Boards		**AGENDA DATE:** October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Appointment/Reappointment of Board members – Planning Commission and Board of Zoning Appeals.		**ITEM NUMBER:** 7A
	ATTACHMENTS: None		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): Tom Bonadeo, Town Planner	**REVIEWED BY:** Heather Arcos, Town Manager	

BACKGROUND:

There are several members of appointed boards and commissions whose terms have expired or will be expiring within the next month. This item provides the Town Council with information on the term expirations.

DISCUSSION:

The following need to be re-appointed:

Planning Commission
- Benjamin Lewis (10/31/2010)
- Dennis McCoy (10/31/2010)
- Roger Munz (10/31/2010)
- Michael Strub (10/31/2010)

Board of Zoning Appeals
- Roger Munz (10/31/2010)

Building Code Board of Appeals
- Barry Tyndall (9/10/2010)

Wetlands Board
- Russ Dunton (11/12/2010)

RECOMMENDATION:

Staff recommends Council review the above list and reappoint the members to their respective boards and commission for another term.

TOWN OF CAPE CHARLES	AGENDA TITLE: Technology Zone		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Planning Commission Recommendation for Technology Zone		ITEM NUMBER: 7B
	ATTACHMENTS: Recommendation Letter, Lynchburg Review, Matrix		FOR COUNCIL: Action (x) Information ( )
	STAFF CONTACT (s): Tom Bonadeo - Heather	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The concept of a Technology/Tourist Zone with incentives to attract business has proven effective for many large localities. It could be effective for Cape Charles given the right company. There are several factors to consider:

1. Zone Definition for qualifying company
2. Criteria for incentives
3. Actual incentives
4. Cost – Benefit for Cape Charles and Northampton County
5. Geography for new businesses

The Town of Cape Charles is attractive to several types of "technology" businesses. We have:

1. The Betus Group, a computer technology company, has located here because of the general overall environment.
2. Individual computer programmers working from homes in the area because of the general overall environment.
3. We have had serious inquiries by outside "technology" companies attracted to the Bay Creek environment as a great "live – work – play" environment for establishing a new location for their company. Outside factors played an important role in these businesses not locating in Cape Charles.

The broader definition of technology as "Applied Technology" could be more beneficial to attracting businesses to Cape Charles. A great feature of Cape Charles is our connection to the Chesapeake Bay and Atlantic Ocean. Our definition should include the application of technology in the marine industry as well as the development of the actual technology itself.

The Office of Economic Development (Virginia) drafted 2006 Technology Zone Guidelines and offers a definition of technology businesses. This definition states that a "Technology Business" derives its gross income from the design, development or other creation, for lease, sale or license, of technology based products, processes or related services. We should emphasize the "related service" aspect of the definition to include such things as the "installation" of technology and the "maintenance" of technology in the maritime industry. This can also extend to the training of marine technology personnel creating an ideal foundation for apprenticeship programs and an incentive based program to do so.

DISCUSSION:

The incentives are generally divided into two categories, tax relief and fee relief. The larger the investment the larger the incentives provided. The incentives are also based on capital investment and jobs created above the average wage scale. Since most new businesses are fragile it is recognized by many existing technology zones that a new business pays the fees and taxes initially and then rebates are offered when it is determined that the business has met the criteria of the zone.

If a new qualifying business is going to invest $1,000,000 in a building and create 100 jobs they could pay the fees required and after the creation of 100 new jobs have the fees rebated. Likewise, the business could predict new first year business at $1,000,000 pay the BPOL tax accordingly and have the tax rebated if the required goal is met.

There are potential scenarios for a business to qualify for the incentives.

1. A new business, buying land, building a new building, investing in new equipment and creating new jobs.
2. A new business, leasing land and building a building or structure and creating new jobs
3. A new business, leasing land and building but investing in equipment and creating new jobs.
4. An existing business, expanding by any of the above means and creating additional jobs above some mark.

This sets the stage for different levels of incentives based on company performance. Businesses in Cape Charles would pay several fees. Using the first scenario above the following costs would be incurred by a new business:

1. Town real estate taxes
    a. No payment until after construction and not included in budget until it's "real".
2. Water and Sewer Facility fee
    a. Reserve fund for capital construction of future facilities
3. Water and Sewer Connection fees.
    a. Part of specific funds for water and sewer used to offset costs.
4. Building permit and associated fees.
    a. Part of the general fund used to offset costs.
5. Business, Professional and Occupational License (BPOL) Tax
    a. Not included in a current budget until after first year.

This means that some of the costs and fees are not in an existing budget due to the fact that the towns budgets are made up of know revenues. Facility fees are not used a s part of the current operating budget but are put into a reserve or savings account to build future capacity to replace the current capacity used up by a new building. An example of real estate tax for a new business would be:

1. Build a building assessed at $1,000,000.
2. Cape Charles real estate tax would be about $1820 annually or $9100 over 5 years.
3. For a repair and maintenance company with $1,000,000 in gross receipts the BPOL would be $3600 annually or $18,000 over 5 years.

Those jobs that are at or below the county-wide average have very little benefit to the Town. An example is that the majority of Bayshore employees live in the county and spend the majority of their pay in the county. Those technology jobs that have come to Cape Charles for the general way of life, live in Town and have incomes higher than the county average. Their pay stays generally in Town.

1. Giving up BPOL income for higher than the county average paying jobs would result is more pay dollars staying in town and helps the existing businesses.
2. Rebating BPOL and Town real estate taxes does not reduce the available funds as they are not yet accounted for in the budget.
3. Rebating Facility Fees does reduce the capital available for future water and sewer facilities and that burden would be shared by all tax payers.
4. Rebating some fees should be considered as not all new businesses meet expectations

The opportunity for technology and applied technology businesses is greatest in the commercial zones and most Technology Zones are targeted at specific locations. Commercial and Industrial zones will have the most impact for new or additional jobs. The zones involved could be:

1. Harbor
2. C-1,2,3,
3. GBI and Industrial
4. Tourism Zone could include all zones.

RECOMMENDATION:

Recommend scheduling a work session to complete details of a zone definition.

Municipal Corp. of
Cape Charles

October 8, 2010

Town Council
2 Plum Street
Cape Charles, VA 23310

Dear Council,

The Planning Commission has reviewed and studied the Technology Zone information as requested. The Commission reviewed all of the existing zones in Virginia, the 2006 Technology Zone Guidelines and numerous reports and reviews of zones in other areas. The Planning Commission voted unanimously to recommend the adoption of a Technology Zone to help attract businesses to Cape Charles. While studying the Technology Zone information it was noted that the Code of Virginia also allows localities to consider Tourism Zones with the same considerations. The Commission recommends that Council also consider the adoption of a Tourism Zone.

1. The Town's definition for Technology Zone should include the standard technology development definition and an expanded applied technology definition specifically related to the maritime industry.
2. The incentives could be "pay and rebate" based on meeting the requirements of the technology zone. The amount of the rebate would be based on the amount of capital investment and the creation of some number of jobs. These technology jobs should pay 1.5 to 2 times the County-wide average. This creates the most favorable cost benefit ratio.
3. Rebate and/or forgive Town fees and taxes.
    a. Real Estate, BPOL and Machinery Tax
    b. Water and Wastewater Facility Fee
    c. Water and Wastewater Connection Fee
    d. Consider all "Commercial" zones as Technology Zone and all of Town as a Tourism Zone

There are numerous considerations for the Technology Zone and they are provided in the attachment. The Commission discussed and length at understands the potential financial impact of incentives but did not make specific recommendations for the dollar value of incentives.

Sincerely,

Joan Natali
Planning Commission, Chairwoman

Municipal Building • 2 Plum Street • Cape Charles, Virginia 23310
(757) 331-3259 Fax (757) 331-4820

O10-02

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

ORDINANCE

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, Stafford County Administration Center, Stafford, Virginia, on the 19th day of January, 2010:

MEMBERS:	VOTE:
Mark Dudenhefer, Chairman	Yes
Paul V. Milde III, Vice Chairman	Yes
Harry E. Crisp II	Yes
Gary F. Snellings	Yes
Cord A. Sterling	Yes
Susan B. Stimpson	Yes
Robert "Bob" Woodson	Yes

On motion of Mr. Crisp, seconded by Mr. Sterling, which carried by a vote of 7 to 0, the following was adopted:

AN ORDINANCE TO ENACT AND AMEND STAFFORD COUNTY CODE TO ADD A NEW CHAPTER 23A ENTITLED TECHNOLOGY ZONES

WHEREAS, a technology zone can be a valuable tool for the encouragement of new and expanding technology in Stafford; and

WHEREAS, establishment of a technology zone allows localities to create special incentives for qualified businesses locating or expanding operations in a zone; and

WHEREAS, the creation of a technology zone was recommended as part of the 2006 Economic Development Strategic Plan adopted by the Board; and

WHEREAS, the Board has carefully considered the recommendations of the staff and the testimony at the public hearing; and

WHEREAS, establishing technology zones will serve the public health and welfare of the County and its citizens;

NOW, THEREFORE, BE IT ORDAINED by the Stafford County Board of Supervisors on this the 19th day of January, 2010, that Stafford County Code, Chapter 23A, be and it hereby is enacted and amended as follows, all other portions remaining unchanged:

Chapter 23A. Technology Zones

Sec. 23A-1. Purpose.

The Board finds that the creation of local technology zones, with incentives for economic growth, will foster the development, maintenance, and expansion of commercial and industrial businesses engaged in technological research and design.

State law references: Similar provisions, Virginia Code § 58.1-3850.

Sec. 23A-2. Administration.

This chapter shall be administered and enforced by the County Administrator or his designee. The County Administrator or his designee shall determine and publish the procedures for obtaining the benefits created by this chapter. The County Administrator or his designee shall be responsible for determining whether a business is a qualified technology business as defined below or an existing qualified business and, when necessary, shall interpret the extent and boundaries of the technology zone as set out in this chapter. Final incentive benefit packages shall be approved by the Board in its discretion.

Sec. 23A-3. Definitions.

For the purpose of this chapter, the following words and phrases shall have the following meanings, unless clearly indicated to the contrary:

Board means the Board of Supervisors of Stafford County.

Capital investment means it is measured as the change in the most recent assessed value, as determined by the Commissioner of the Revenue, of real property, personal property, and machinery and tools. This does not include an increase in real property values based upon market increase due to any general reassessment. Capital investment also includes the assessed value of leased office space when the total lease equals $1,000,000 spent in a two-year period.

County means Stafford County.

Existing business means one that was actively engaged in the conduct of trade or business in the county prior to an area being designated as a technology zone.

New business means a business not previously located in and actually engaged in the conduct of business in the county and that begins operation in a technology zone after the technology zone was designated.

Qualified technology business means a technology business that has met the qualifications set forth in Section Sec. 23A-4.

Technology business includes, but is not limited to, research, development, manufacture, or associated training of: biotechnology, chemicals, computer hardware, computer security, computer software, energy, environmental, homeland security, manufacturing equipment, advanced materials, medical, finance related companies, pharmaceuticals, photonics, subassemblies and components, test and measurement, telecommunications, or transportation. In no case shall the use of computers or telecommunication services by a business in its administrative operations, by itself, qualify the business as a technology business.

Sec. 23A-4. Qualifications.

(a) Existing business. For an existing technology business to become a qualified technology business, the firm must add a minimum of ten (10) full-time employees whose combined average salary is at least 150% of the average annual wage countywide based on the most recent quarterly data as prepared by the Virginia Employment Commission. In addition, the firm must increase capital investment in the technology zone by at least $500,000.

(b) New business. For a new technology business to become a qualified technology business the firm must create a minimum of twenty (20) full-time job positions whose combined average salary is at least 150% of the average annual wage countywide based on the most recent quarterly data as prepared by the Virginia Employment Commission. In addition, the firm must increase capital investment in the technology zone by at least $1,000,000.

(c) Existing and new businesses. The following requirements shall apply to all businesses seeking the incentives provided in this chapter:

1. Businesses be engaged in a technology business.
2. The increase in capital investment and new or additional full-time job positions required to qualify must occur within the same twelve-month period.
3. Any assets owned by a business which are moved into a technology zone from another location within the County shall not be included in the increased new investment.

Sec. 23A-5. Boundary of technology zone.

There is hereby created one (1) local technology zone within the County, to be named "The Stafford County Technology Zone." The boundary of the technology zone is the Urban Services Area as defined by the Board in the adopted Comprehensive Plan.

Sec. 23A-6. Technology zone incentive package.

(a) Technology zone incentives may be offered to a qualified technology business as a one-time contribution towards the development costs associated with a project, or may be provided as a reimbursement or rebate, depending upon the nature and scope of the development. The approval of incentives and their relative amount are at the complete discretion of the Board. Under this discretion, qualified technology businesses may be granted incentives on a case-by-case basis. These incentives may include fee and tax rebates, Economic Development Grants, an expedited review process, and/or assistance in obtaining other sources of funding. In determining the amount and terms of such incentives, the Board will give consideration to: the number, quality, type, and average salary of new full-time job positions to be created or added; the specific type of technology work to be performed at the location; the amount of capital investment; the long-term company and industry outlook; and the company's overall positive impact on the County in the short and long terms.

(b) A qualified technology business may also be eligible to receive up to a full rebate, after receipt of final occupancy permit, of the fees associated with new construction, including, but not limited to building permit, plan review, and land disturbance fees, based upon the level of employment and capital investment generated by the business.

(c) A qualified technology business may also be eligible, based upon the level of employment and investment generated by the business and at the discretion of the Board, for the following rebate in taxes:

(1) Machinery and Tools Tax. Up to a full rebate of all machinery and tools taxes.

(2) Tangible Personal Property Taxes:

(i) Up to a 30% rebate for the first two (2) years;

(ii) Up to a 50% rebate for the next two (2) years; and

(iii) Up to a 70% rebate for the final year.

(3) Business-based taxes. Up to a full rebate of any business-based taxes.

(d) The reductions authorized in subsections (c) (1), (2), and (3) above shall apply for up to a period of five (5) calendar years or until such time that the business no longer operates as a qualified technology business, ceases to meet the minimum criteria for a qualified technology business, or removes its operation from the County during a year in which the reduction applies; whichever occurs first.

(e) All technology businesses accepting incentives under this chapter must acknowledge that financial information provided in connection with the payment of incentives becomes public information and must waive any expectation of confidentiality to such information.

State law references: Similar provisions, Virginia Code § 58.1-3850.

Sec. 23A-7. Zoning Ordinance not affected.

This chapter is an economic development incentive and is not a zoning change. Nothing herein shall be construed to affect any provision or requirement of the County Zoning Ordinance.

Sec. 23A-8. Waiver.

Unless expressly stated herein, this chapter shall not be construed to waive the requirement of any ordinance, regulation or policy of the County, including, but not limited to, those ordinances, regulations, and policies that require permits and approvals for land use and construction. Additionally, unless stated otherwise herein, nothing in this chapter shall be construed as waiving the right of the County to enforce its ordinances, regulations, or policies or to collect any taxes, fees, fines, penalties, or interest imposed by law on a qualified technology business or upon real or personal property owned or leased by a qualified technology business.

Sec. 23A-9. Effective date.

This Ordinance shall be in effect on and after the date of its adoption.

A Copy, teste:

Anthony J. Romanello, ICMA-CM
County Administrator

AJR:TJB

Office of Economic Development Staff Report for
Lynchburg Economic Development Authority
on
Technology Zone

EXECUTIVE SUMMARY

- Technology Zones in the Commonwealth of Virginia
  - Established by ordinance
  - Allows locality to create special incentives
  - Twenty-two (22) Virginia localities participate
  - Program designs and incentives vary widely

- Lynchburg's Technology Zones
  - Established March 26, 2002
  - Downtown Lynchburg Technology Zone Incentives
    - *Ten* year reimbursement of business license taxes
    - Five year capital investment grants
    - Code permit and enforcement waivers
  - Lynchpin Technology Zone Incentives
    - *Five* year reimbursement of business license taxes
    - Five year capital investment grants
    - Code permit and enforcement waivers

- Three reasons for review of City's Technology Zone language
  - Downtown Enterprise Zone #2 has amended boundaries hence the existing Downtown Technology Zone no longer overlays it
  - Average pay for technology jobs is greater than average wage for all jobs
  - Technology job growth is predicted through 2016

- Technology Zone changes to consider
  - Definition of Qualified Businesses
  - Qualifying Criteria
  - Incentives
  - Boundaries of Geographic Area

- Proposed Technology Zone language
  Please see page 18.

ffice of Economic Development Staff Report for
Lynchburg Economic Development Authority
on
Technology Zone

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Background

Commonwealth of Virginia

Virginia's cities, counties and towns have the ability to establish, by ordinance, one or more technology zones to attract growth in targeted industries. Establishment of a technology zone allows localities to create special incentives for qualified businesses locating or expanding operations in the zone. Each locality designs and administers its own program. The establishment of a technology zone shall not preclude the area from also being designated as an enterprise zone.[1]

At present, ten counties, ten cities, and two towns have established Technology Zones[2]. A review of these localities' zones shows a myriad of practices. Qualified businesses range from 'computer and telecommunications-related businesses'[3] to businesses 'related to the pharmaceutical/biotechnological industry'[4] to businesses which include 'customer service (via telephone or computer).'[5]

Qualifying criteria are also diverse. Winchester requires two new jobs paying at least two times the minimum wage, plus benefits at 10% of wages while Rockingham County requires a new capital investment of $50 million in machinery and tools and at least 40 additional persons full-time in the 24 months in which the qualifying investment is made.

The number and land mass size of each zone also widely varies. Culpeper County has four zones while Front Royal has two zones. Franklin stipulates one lot in an industrial park while Halifax County stipulates a technology park. Bedford County's zone encompasses 200 acres in the New London Business & Technology Park. Charlottesville, Falls Church, Henry County, and the town of Marion are all inclusive, citing corporate limits and city boundaries.

As can be expected from such a wide range of practices, incentives vary widely as well.

The City of Lynchburg

On March 26, 2002, Lynchburg City Council adopted a resolution creating two technology zones and authorizing certain incentives for businesses locating within the zones.

---

[1] Virginia Code section 58.1-3850.

[2] Counties of Arlington, Bedford, Culpeper, Frederick, Halifax, Henry, Roanoke, Rockingham, Russell and Smyth; cities of Buena Vista, Charlottesville, Falls Church, Franklin, Front Royal, Hampton, Harrisonburg, Lynchburg, Roanoke and Winchester; and the towns of Front Royal in Warren County, Kilmarnock in Lancaster County, and Marion in Smyth County. Virginia Economic Development Partnership, January 2007.

[3] Winchester, March 2002.

[4] Frederick County, May 2006.

[5] Harrisonburg, May 2006.

Current boundaries for the zones are:

Zone I, known as the Downtown Technology Zone, includes the Central Business District, Lower Basin, the Fifth Street Corridor, surrounding neighborhoods, as well as the land zoned industrial between Carroll and Campbell Avenue.

Zone II, known as Lynchpin Technology Zone, includes the area located between Wiggington Road and Lakeside Drive on the City's western boundary.

Eligible technology businesses that locate in either of the technology zones may be eligible, on a case by case basis, for certain incentives:

Reduction and/or waiver of certain City fees (which may include fees for building permits, mechanical and gas permits, plumbing permits, electrical permits, sign permits, conditional use permits, and zoning ordinance fees).

A ten year reimbursement of business license taxes for eligible businesses in the Downtown Technology Zone.

A five year reimbursement of business license taxes for eligible businesses in the Lynchpin Technology Zone.

Five year capital investment grants.

Section 36-126.19 of the City Code was amended and reenacted to include the following:

(c) Any business required to obtain a license pursuant to this article, and which is designated as a technology business and which business locates in the city's downtown technology zone on or after July 1, 2002, shall be entitled to a ten-year reimbursement of business license taxes as follows: during the first five (5) calendar years, a one hundred percent (100%) reimbursement; for the sixth (6th) calendar year a seventy percent (70%) reimbursement; for the seventh (7th) calendar year a sixty percent (60%) reimbursement; for the eighth (8th) calendar year a forty percent (40%) reimbursement; and, for the ninth (9th) and tenth (10th) calendar years a twenty percent (20%) reimbursement.

(d) Any business required to obtain a license pursuant to this article, and which is designated as a technology business and which business locates in the city's Lynchpin technology zone on or after July 1, 2002, shall be entitled to a five-year reimbursement of business license taxes as follows: during the first (1st) calendar year, an eighty percent (80%) reimbursement; for the second (2nd) calendar year a sixty percent (60%) reimbursement; for the third (3rd) calendar year a forty percent (40%) reimbursement; and, for the fourth (4th) and fifth (5th) years a twenty percent (20%) reimbursement.

Section 36-151 [machinery and tools tax] of the City Code was amended and reenacted to include the following:

> Provided, however, that on and after July 1, 2002, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, and for each fiscal year thereafter, any business which is designated as a "technology business" and which business locates in either of the city technology zones on or after July 1, 2002, shall receive the following tax reimbursements: For the first three (3) tax years for which the business is assessed this tax, there shall be a one hundred per cent (100%) tax reimbursement; and, for the next two (2) two years for which the business is assessed this tax a fifty percent (50%) tax reimbursement.

Subsequently, the Office of Economic Development drafted 2006 Technology Zone Guidelines. These guidelines define a technology business as a business which derives its gross receipts from the design, development or other creation, for lease, sale or license of technology based products, processes or related services.

The Guidelines further define technology based products, processes or related services as engaging in the activity of automation, biotechnology, biomedical research, chemicals, design, electronics, computer hardware, computer software, defense, homeland security, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, and internet services. The definition of technology business can also be extended to training in the above concentration areas.

Opportunity

With Lynchburg City Council recently amending the boundaries of Enterprise Zone #2 (Downtown), the existing Technology Zone no longer overlaps Enterprise Zone #2 as originally designed. Hence this is an opportune time to revisit Technology Zone boundaries or areas.

Research also suggests two other compelling reasons to review the existing Technology Zone. The first of those reasons is employment and wage data. Using the average salary for all jobs with the term 'technology' anywhere in the job listing, Simply Hired® shows the average salary for technology jobs is $66,000[6].

VCU research on high-technology industry in the Commonwealth[7] reveals the following.

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[6] http://www.simplyhired.com/a/salary/search/q-technology

[7] An Economic Analysis of the Charlottesville Area's High-Technology Industry presentation to the Charlottesville Business Innovation Council on November 20, 2007 based on data from Virginia Employment Commission Census of Employment and Wages, and Office of Research & Graduate Studies, University of Virginia.

High-Technology Industry

Metro Area (MSA)	Jobs #	Jobs Rank	Firms #	Firms Rank	Average Wages Salary*	Average Wages Rank
Blacksburg	6,914	6	292		51,600	8
Charlottesville	11,691	5	636	4	65,400	3
Danville	1,171		107		45,100	
Harrisonburg	3,100		153		60,700	4
Bristol	3,246		123		45,200	
Lynchburg	**6,823**	**7**	**403**	**6**	**48,400**	**9**
Richmond	68,310	2	3,121	3	76,500	2
Roanoke	12,819	4	606	5	54,700	7
Hampton Roads	64,967	3	3,199	2	59,600	5
Northern VA	283,627	1	13,857	1	97,500	1
Winchester	2,488		165		58,800	6

2006 dollar values

While not comparing apples to apples, it is nevertheless interesting to note that Lynchburg's median household income is approximately $33,000[8]. The above research confirms what we intuitively know, technology jobs are good jobs.

The second reason to look at existing Technology Zone language is predicted job growth in the technology area. The U.S. Bureau of Labor Statistics (BLS) forecasts employment in computer systems design and related services will add almost 500,000 new jobs by 2016[9]. BLS also predicts that production occupations will decline, losing 528,000 jobs by 2016[10]. While this data is nationwide, one might expect that Lynchburg will similarly trend the market.

Using data generated by Daniel Hecker of BLS, VCU researchers delineated the industries forecasted to grow technology oriented employment at least 5 times the average for all industries.[11] The VCU industry list takes into account companies that meet at least one of three criteria:

- Produce goods and services that are, in themselves, high technology
- Produce goods and services used in the production of other items considered to be high-technology
- Primarily use high technology methods when producing their goods or services

The industry list includes:

- Pharmaceutical and medicine manufacturing
- Computer and peripheral equipment manufacturing

[8] U.S. Census Bureau, People QuickFacts, 2004.
[9] U.S. Bureau of Labor Statistics, Occupational Outlook Handbook, 2008-09 Edition, p. 3.
[10] U.S. Bureau of Labor Statistics, Occupational Outlook Handbook, 2008-09 Edition, p. 6.
[11] See Footnote 7.

- Communications equipment manufacturing
- Navigational, measuring, electromedical, and control instruments manufacturing
- Aerospace product and parts manufacturing
- Software publishers
- Internet publishing and broadcasting
- Internet service providers/web search portals
- Data processing and hosting services
- Architectural and engineering services
- Computer systems design services
- Scientific research and development services

Based on the above, it is determined that revisions to Lynchburg's existing Technology Zone will better create and support an environment to attract and grow technology businesses thus adding to the City's tax base and benefiting the welfare of its citizens.

Qualified Businesses

Alternatives

1. Lynchburg [existing language]
   A business which derives its gross receipts from the design, development or other creation, for lease, sale or license of technology based products, processes or related services.

   Technology based products, processes or related services are defined as engaging in the activity of automation, biotechnology, biomedical research, chemicals, design, electronics, computer hardware, computer software, defense, homeland security, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, and internet services. The definition of technology business can also be extended to training in the above concentration areas.

2. Arlington [straightforward]
   Is engaged in the design, or research and development of computer hardware or software for:
   a. Aerospace or aviation applications; or,
   b. Interactive or simulated real-time use; or,
   c. Instruction in the use or development of customized computer technology; or,
   d. Gathering data from the internet or computerized data bases, or integrating such data; or,
   e. Emergency communications, emergency service delivery and tracking
   f. Security training, security data collection, storage and/or analysis
   g. Building energy management and control systems.

   Or, provides

a. Production of multi-media products; or,
b. Computerized data mapping systems; or,
c. On-line financial services including buying, selling, handling, managing, investing and/or advice regarding money, credit, securities, or other investments over the internet

3. Bedford [Only other Region 2000 entity with a Technology Zone.]
Engaged in the activities of research, development, or manufacture of commodities used in biotechnology, computer hardware or software, electronics, telecommunications, systems integration, testing and measurements, e-comerce, factory automation, internet services, subassemblies and components, medical and pharmaceutical products, photonics, advanced materials, architecture and engineering, defense, energy, and transportation

4. Buena Vista [Mirrors Lynchburg.]
Design, development, manufacture or other creation, for lease, sale or license of technology based products, processes or related services. Technology based products, processes or related services are defined as engaging in the activity of automation, biotechnology, biomedical research, electronics, computer hardware, computer software, defense, energy, environmental, manufacturing equipment, advanced materials, medical applications, pharmaceuticals, photonics, electronic based subassemblies and components, testing and measurements, telecommunications, systems integration, multimedia, e-commerce, internet services, transportation, architecture and engineering or similar activities.

5. Charlottesville [Zone applies to all of Charlottesville.]
   a. Design, development or other creation, for lease, sale or license, of computer software or hardware, computer network protocols, information systems, Internet software, Internet database applications
   b. Provision of Internet services (i.e., services, including an Internet Web-hosting service, enabling users to access content, information, electronic mail and the Internet as part of a package of services sold to customers), and business-to-business exchanges
   c. Design, development or other creation, for lease, sale or license, of biotechnology, or pharmaceutical or medial technologies or products, including, without limitation: drug development, clinical trials services, data management and reporting and regulatory services
   d. Design, development or other creation or provision, for lease, sale or license, of immunology and analytical biochemistry services, including, without limitation: mass spectrometry and HPLC, or liquid chromatography, equipment, services and supplies
   e. Design, development or other creation, for lease, sale or license, of telecommunications equipment or technology, such as digital switching systems, Internet protocol telephony gateway, network telephone solutions

f. Design, development or other creation of electronics, for lease, sale or license, including, without limitation: flexible and printed circuits, custom integrated circuits, electronic assemblies, medical electronics displays
g. Receipt, as the principal or prime contractor, of identifiable federal appropriations for research and development services, as such services are defined in §31.205-18(a) of the Federal Acquisition Regulations, in the areas of: (i) computer and electronic systems, (ii) computer software, (iii) applied sciences, (iv) economic and social sciences, and (v) electronic and physical sciences.

6. Falls Church [Zone applies to entire City.]
A qualified Technology Zone business is a company or identifiable subdivision of a company that has 50 percent or more of its gross receipts derived from the research, development, manufacture or distribution of products which use or embody technology and from rendering services in the field of technology (includes, but is not limited to, engineering, biotechnology, computer software and hardware, and systems integration). Example: The design development or other creation of computer software for lease, sale or license. This exclusion shall apply only to those receipts attributed to computer software design, development or creation activities performed at a definite place of business within the City.

7. Henry County [Zone applies to entire County.]
Qualified businesses which locate, expand, or modernize within the zone boundaries.

8. Town of Marion [Zone applies to entire Town.]
<u>Qualified Manufacturing Technology Business</u>
Technology-drive production, including the manufacture of advance materials, automation and robotics, biotechnology, computer hardware and software, the manufacture or assembly of high-tech defense products, electronic subassemblies and components, the manufacture of energy and environmental products, medical instruments, pharmaceuticals, testing and measurement devices, the manufacture or assembly of telecommunication devices, energy saving or environmental transportation products, and products which result in systems integration.

<u>Qualified Non-manufacturing Technology Business</u>
Business engaged in computer related activities, telecommunications, electrical equipment manufacturing, or the rendering of advanced technology products or services. The use of computer or telecommunications by a business in its internal operations shall not qualify a business, as it is the product or service that is important.

<u>Proposed Language for Lynchburg Technology Zone(s)</u> [based on Washington, D.C.]
A qualified technology business is an individual or for-profit entity licensed to do business in the City of Lynchburg, VA; and, derives 50% of more of gross revenues from technology which meets at least one of the following criteria:

a. Internet-related services and sales, including website design, maintenance, hosting, or operation; internet-related training, consulting, advertising, or promotion services; the development, rental, lease, or sale of internet-related applications, connectivity, or digital content; or products and services that may be considered e-commerce;
b. Information and communication technologies, equipment and systems that involve advanced computer software and hardware, data processing, visualization technologies, or human interface technologies, whether deployed on the Internet or other electronic or digital media. Such technologies shall include operating and applications software; Internet-related services, including design, strategic planning, deployment, and management services and artificial intelligence; computer modeling and simulation; high-level software languages; neural networks; processor architecture; animation and full-motion video; graphics hardware and software; speech and optical character recognition; high-volume information storage and retrieval; data compression; and multiplexing, digital signal processing, and spectrum technologies;
c. Advanced materials and processing technologies that involve the development, modification, or improvement of one or more materials or methods to produce devices and structures with improved performance characteristics or special functional attributes, or to activate, speed up, or otherwise alter chemical, biochemical, or medical processes. Such materials and technologies shall include metal alloys; metal matrix and ceramic composites; advanced polymers; thin films; membranes; superconductors; electronic and photonic materials; bioactive materials; bioprocessing; genetic engineering; catalysts; waste emissions reduction; pharmaceuticals; and waste processing technologies;
d. Engineering, production, biotechnology and defense technologies that involve knowledge-based control systems and architectures; advanced fabrication and design processes, equipment, and tools; or propulsion, navigation, guidance, nautical, aeronautical and astronautical ground and airborne systems, instruments, and equipment. Such technologies shall include: computer-aided design and engineering; computer integrated manufacturing; robotics and automated equipment; integrated circuit fabrication and test equipment; sensors; biosensors; signal and image processing; medical and scientific instruments; precision machining and forming; biological and genetic research equipment; environmental analysis, remediation, control, and prevention equipment; defense command and control equipment; avionics and controls; guided missile and space vehicle propulsion units; military aircraft; space vehicles; and surveillance, tracking, and defense warning systems; or
e. Electronic and photonic devices and components for use in producing electronic, optoelectronic, mechanical equipment and products of electronic distribution with interactive media content. Such technologies shall include microprocessors; logic chips; memory chips; lasers; printed circuit board

technology; electroluminescent, liquid crystal, plasma, and vacuum fluorescent displays; optical fibers; magnetic and optical information storage; optical instruments, lenses, and filters; simplex and duplex data bases; and solar cells.

An electronic equipment facility that is primarily occupied, or intended to be occupied, by electronic and computer equipment that provides electronic data switching, transmission, or telecommunication functions between computers, both inside and outside the facility shall not qualify as a technology business.

The use of computers, telecommunications services, or a web page or internet site shall not, in itself, be sufficient to qualify as a qualified technology business.

No business shall be a qualified technology business unless 1) that business has first established a Definite Place of Business in the City of Lynchburg after March 26, 2002, and 2) within eighteen (18) months after establishing a definite place of business in a technology zone, that business has met the requirements of this ordinance and applied for such status.

The term 'definite place of business' means an office or a location at which occurs a regular and continuous course of dealing over a period of thirty (30) consecutive days or more. A definite place of business for a person engaged in business may include a location leased or otherwise obtained from another person and real property leased to another.

Qualifying Criteria

Alternatives

1. Lynchburg [existing language]
    a. Downtown Technology Zone
        i. Minimum capital investment of $10,000
        ii. New technology business: create a minimum of 2 new full-time jobs, with wages equal to twice the federal minimum wage rate and providing health benefits, within one year of the firm's application
        iii. Expanding technology business: increase the number of full-time employees by 10% over a base year or the increase must constitute at least 2 net new full-time employees, whichever is greater. Wages paid to the minimum threshold number of full-time employees needed to qualify must be equal to twice the federal minimum wage rate, and provide health benefits.
    b. Lynchpin Technology Zone
        i. Minimum capital investment of $250,000
        ii. New technology business: create a minimum of 15 new full-time jobs, with wages equal to twice the federal minimum wage rate and providing health benefits, within 1 year of the firm's application

iii. Expanding technology business: increase the number of full-time employees by 10% over a base year or the increase must constitute at least 2 net new full-time employees, whichever is greater. Wages paid to the minimum threshold number of full-time employees needed to qualify must be equal to twice the federal minimum wage rate, and provide health benefits.

2. Arlington
   a. Downtown Technology Zones (Rosslyn-Ballston Corridor Technology Zone and Jefferson Davis Corridor)
      i. At least 250 employees on site after February 1, 2000 and before November 15, 2005; or,
      ii. 200 employees on site after November 15, 2005 and before October 1, 2007; or
      iii. 100 employees on site after July 7, 2007
      iv. Employee is defined as a person who is on the qualified technology business' payroll within the technology zone and is required to report to work in the technology zone.
   b. Shirlington Technology Zone: No size threshold shall apply.
   c. Columbia Pike Corridor Technology Zone: No size threshold shall apply.

3. Bedford
   a. Tier 1: $500,000 capital investment and 25 jobs
   b. Tier 2: $50,000 capital investment and 5 jobs
   c. Tier 3: $25,000 capital investment and 3 jobs

4. Buena Vista
   a. Downtown Zone
      i. Increase the average number of full-time employees by at least three net new, full-time employees over the base year.
      ii. Wages must be equal to twice the federal minimum qualifying wage rate.
      iii. Demonstrate a new net capital investment of at least $15,000. The added capital investment shall be established by the value of personal property, machinery & tools, and/or real estate owned for the operation of the qualified technology business.
   b. Industrial Zone
      i. Increase the average number of full-employees by 10% over the base year.
      ii. Wages must be equal to twice the federal minimum qualifying wage rate.
      iii. Demonstrate a new net capital investment of at least $150,000.

5. Charlottesville
   None

6. Falls Church

   50 percent or more of its gross receipts derived from the research, development, manufacture, or distribution of products which use or embody technology and from rendering services in the field of technology (includes, but is not limited to, engineering, biotechnology, computer software and hardware, and systems integration). *Example: The design development or other creation of computer software for lease, sale or license. This exclusion shall apply only to those receipts attributed to computer software design, development or creation activities performed at a definite place of business within the City.*

7. Henry County
   a. Investment of at least $250,000
   b. Creation of a minimum of 10 new jobs paying at least 1-1/2 times the minimum wage in the zone

8. Town of Marion
   a. Qualified Manufacturing Technology Business
      i. Create and maintain 25 new full-time positions for a one year period
      ii. New employees must have weekly or monthly wage rate at least twice the federal minimum wage.
      iii. Make a new capital investment in real estate or improvements, or of machinery and tools, of $1,000,000
   b. Qualified Non-Manufacturing Technology Business
      i. Create a minimum of 3 full-time positions for at least one year
      ii. New employees must have weekly or monthly wage rate at least twice the federal minimum wage.
      iii. Make a new capital investment in real estate or improvements, or of machinery and tools, of at least $25,000

<u>Proposed Language for Lynchburg Technology Zone(s)</u>

1. New Technology Business, as of February 1, 2009
   a. Minimum capital investment of $10,000
   b. Within one year of the business' application, hire 2 new full time employees
      i. Employee is defined as a person who is on the qualified technology business' payroll within the technology zone and is required to report to work in the technology zone
      ii. Employee wages must be equal to or greater than three times the federal minimum wage rate[12]
      iii. Employee must be provided health benefits

2. Expanding Technology Business, as of February 1, 2009

[12] U.S. Department of Labor Wage and Hour Division. Minimum wage is currently $6.55, annualized at $13,624 x a multiplier of three = $40,872. Effective July 24, 2009, minimum wage becomes $7.25 or $15,080 annually x a multiplier of three = $45,240.

a. Minimum capital investment of $250,000
b. Within one year of the business' application, hire 15 new full time employees
    i. Employee is defined as a person who is on the qualified technology business' payroll within the technology zone and is required to report to work in the technology zone
    ii. Employee wages must be equal to or greater than three times the federal minimum wage rate
    iii. Employee must be provided health benefits

Geographic Area

<u>Alternatives</u>

1. Lynchburg [existing language]
    a. Zone I, known as the Downtown Technology Zone, includes the Central Business District, Lower Basin, the Fifth Street Corridor, surrounding neighborhoods, as well as the land zoned industrial between Carroll and Campbell Avenue
    b. Zone II, known as Lynchpin Technology Zone, includes the area located between Wiggington Road and Lakeside Drive on the City's western boundary

2. Arlington
    a. Downtown Technology Zones … precise boundaries set forth in Appendix
    b. Shirlington Technology Zone … precise boundaries set forth in Appendix
    c. Columbia Pike Corridor Technology Zone …precise boundaries set forth in Appendix

3. Bedford
    200 acres in the New London Business & Technology Park

4. Buena Vista
    a. Downtown Technology Zone … boundary area defined on attached
    b. Industrial Districts Technology Zone … all lands now or in the future zoned Industrial (I) as depicted on the official zoning map

5. Charlottesville
    Within the corporate limits of Charlottesville

6. Falls Church
    Within the boundaries of the City

7. Henry County
    Within the county boundary

8. Town of Marion
   Entire area of the town

Proposed Language for Lynchburg Technology Zone(s)

Within the boundaries of the City.

Incentives

Alternatives

1. Lynchburg [existing language]
   a. Downtown Technology Zone
      Reimbursement of business license taxes as follows:
      i. First 5 calendar years, 100% reimbursement
      ii. 6th calendar year, 70% reimbursement
      iii. 7th calendar year, 60% reimbursement
      iv. 8th calendar year, 40% reimbursement
      v. 9th and 10th years, 20% reimbursement
   b. Lynchpin Technology Zone
      Reimbursement of business license taxes as follows:
      i. 1st calendar year, 80% reimbursement
      ii. 2nd calendar year, 60% reimbursement
      iii. 3rd calendar year, 40% reimbursement
      iv. 4th and 5th calendar years, 20% reimbursement
   c. Downtown Technology Zone and Lynchpin Technology Zone
      i. Reimbursement of machinery and tools tax
         1. First 3 tax years, 100% tax reimbursement
         2. Next 2 tax years, 50% tax reimbursement
      ii. The following fees may be waived by the Director of Economic Development after consultation with the Lynchburg Industrial Development Authority[13]
         1. Subdivision Plats
            a. Minor Plat: $75
            b. Major Plat: $150 + $30/lot
         2. Commercial Plan Review
            a. Minor Review: $150
            b. Major Review: $300 + $50/acre
         3. Industrial Plan Review
            a. Minor Review: $100
            b. Major Review: $200 + $35/acre
         4. Re-review fees: $75
         5. Rezoning fee, $400 + $75/acre (Maximum fee of $7,900)

[13] City of Lynchburg TRC Review Fees (Effective January 22, 2008)

iii. The following code enforcement fees may be waived by the Director of Economic Development after consultation with the Lynchburg Industrial Development Authority.[14]
    1. Building, repair, renovation, electrical, mechanical, gas, plumbing, elevator
    2. Plan review
    3. Permit cancellation fee
    4. Demolition permit
    5. Moving fee
    6. Asbestos removal permit
    7. Land disturbing
    8. Signs
    9. Board of building code appeals
iv. $500 grant to underwrite the cost of an application consultant for Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR)
v. Based on funds availability, a $5,000 grant to pursue research and development projects
vi. Based on availability, use of office space at a rate below market cost and including wireless connectivity, electricity and janitorial services

2. Arlington
   Reduction in gross receipts tax rate applicable for up to 10 years from start-up
   a. Have 250 employees or occupy at least 50,000 SF if new after February 1, 2000, but before November 15, 2006
      i. Gross receipts tax rates reduced from $0.35 or $0.36 to $0.18 per $100
   b. Have 200 or more employees if new after November 15, 2006
      i. 200 and 499 employees will pay $0.18 per $100
      ii. 500 and 999 employees will pay $0.14 per $100
      iii. More than 1,000 employees will pay $0.10 per $100

3. Bedford
   Incentive package shall apply for a maximum of six years or until such time that the business no longer operates as a qualified technology business.
   a. A discount, based on level of employment and investment generated by the business, of up to 100% of the following
      i. Purchase price of land within the technology zone, where applicable
      ii. Water connection fees
      iii. Sanitary sewer connection fees
   b. A discount of up to 100% based upon and in accordance with the scope of the project on fees associated with new construction, including but not limited to

[14] Lynchburg City Code, Sec. 11-212 and 11-211.

i. Building permit
ii. Plan review
iii. Land disturbance fees

c. Site preparation and/or infrastructure improvement grant, based upon the nature and scope of the project
d. A one-time local job training grant for up to $500 per employee, for a qualified technology business which is ineligible for the Virginia Workforce Services training grant program; the grant is provided only for new, full-time permanent positions created within the technology zone.
e. Reduction in taxes
    i. Machinery and Tools Tax
        1. 60% – 70% for the first two years
        2. 40% - 50% for the next two years
        3. 20% - 30% for the final year (or two years, if applicable)
    ii. Business Furniture & Fixtures Personal Property Tax
        1. 60% - 70% for the first two years
        2. 40% - 50% for the next two years
        3. 20% - 30% for the final year (or two years, if applicable)
f. All business firms shall be eligible for building permit fees rebate and public service authority fee rebate, which locat within the boundaries of the technology zone.

4. Buena Vista
    a. 50% rebate on building and zoning permits for 5 years
    b. 50% rebate on business personal property, machinery and tools, utility, and business and professional taxes for 5 years
    c. 50% rebate on water and sewer connections for 5 years

5. Charlottesville
   Tax reduction shall be received for no more than 3 tax years
    a. Gross receipts in a year are $50,000 or less, the business license fee is reduced 100%
    b. Gross receipts in a year are more than $50,000, the business license tax is reduced 50%

6. Falls Church
   Waived business, professional and occupational license taxes and fees for three years

7. Henry County
    a. Real estate grants
        i. 100% for the first tax year
        ii. 50% per year for years two through five
    b. Machinery and tools grants
        i. 100% for the first tax year
        ii. 50% per year for years two through five

c. Furniture, fixtures and equipment grants
    i. 100% for the first tax year
    ii. 50% for years two through five (excluding computer equipment)
    iii. 50% per year of the calculated taxes using the assessed value of computer equipment
d. Waiver of water and sewer availability and connection fees
e. Waiver of building permit fees
f. Partial exemption of substantially rehabilitated real estate, pursuant to § 58.1-3221, Code of Virginia
    i. 100% for the first tax year
    ii. 50% for years two through five

8. Town of Marion
    a. <u>Qualified manufacturing technology businesses</u>
    Grant may be offered for five years based on
        i. 100% of the amount of new and increased machinery and tools taxes paid; and,
        ii. 100% of the net increase in real estate taxes paid
    b. <u>Qualified non-manufacturing technology businesses</u>
        i. New businesses
            1. Grant may be offered for five years based on
                a. 100% of the business, professional, and occupational license taxes paid; and,
                b. 100% of the real estate taxes paid
            2. Schedule for incentives:
                a. Year one, 100%
                b. Year two, 80%
                c. Year three, 60%
                d. Year four, 40%
                e. Year five, 20%
        ii. Existing businesses
            1. Grant may be offered for five years based on
                a. 100% of the new machinery and tool taxes paid; and,
                b. 100% of the net increase in real estate taxes paid
            2. Schedule for incentives:
                a. Year one, 100%
                b. Year two, 80%
                c. Year three, 60%
                d. Year four, 40%
                e. Year five, 20%

Location	Pop		Business	Qual	Area	Incentives							
						W/S Connection Fee	BPOL	Permit Fees	RE Tax	Equip Tax	Grants	Telecom	Notes
Arlington	189,000	City	Tech	Empl	Highways		Discount/Empl						
Bedford Cty	60,371	County	Tech	Capital/Jobs	Park	Discounted		Discounted		Discount			
Buena Vista	6,349	City	Tech	Empl/Capital	Dtown/Ind	Rebate	Discounted(5)	Discounted					Util Tax rebate
Caroline	22,121	County	Tech	Capital/Empl	Park		Discounted(10)			Discount			
Charlottesville	45,000	City	Tech		City		Discounted						
Culpeper	44,622	County	Tech R/D	Empl F/T	Parks(5)			Discounted	Discounted	Discount			
Falls Church	10,300	City	Tech R/D	50% Tech	City		Exempt(3)						
Franklin	8,346	City	Tech	Empl/Capital	Park	Waived		Waived					Util Tax disc.
Fredrick	71,187	County	Bio-Tech	Empl/Capital	Urban Dev	Rebate 20%	Discount5)	Rebate20%					Util Tax disc.
Fredricksburg	19,279	City	Tech	Empl/Capital	Highways								Performance
Front Royal	13,589	Town	Tech	Empl 2xmin	Dtown/Park		Discount(10)	Waiver($500)					
Halifax	36,149	County	Tech	Empl/Capital	Park		Exempt(5)	Exempt					Util Tax Rebate
Hampton	146,437	City	Tech	Empl/Capital	Parks/Dtown		Discount(5)	Rebate	Discounted	Discount			
Harrisonburg	40,468	City	Tech	start up	Dtown	Exempt	Exempt(3)						
Henry	56,208	County	"Qual"	Empl/Capital	County	Exempt	Discounted	Waived	Rehab Exempt				
Lynchburg	65,269	City	Tech	Empl/Capital	Dtown		Discounted	Waived					
Marion	6,349	Town	Tech	Empl/Capital	Town					Disc			New Bus only
Newport News	180,150	City	Tech/Energy	Empl/Capital	Park		Discounted						
Roanoke	94,911	City	Tech	Empl/Capital	Part Town		Discounted		Discounted			Discounted	
Roanoke	90,480	County	Tech	Capital/Wage	Park	Discounted	Exemptions	Discounted					Free land
Rockingham	72,564	County	Tech	Empl/Capital	Zones/Town					Rebated(5)			
Russel	28,790	County	Tech	Empl	Park				Discounted	Discount			Non Ind
Smyth	32,506	County	Tech	Empl/Capital	Park					Rebated(5)			
Winchester	25,500	City	Tech	Empl/Capital	Dtown	Rebate	Discounted	Rebate		Discount			Util Tax rebate

TOWN OF CAPE CHARLES	AGENDA TITLE: Cape Charles Rosenwald School Restoration Initiative		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Cape Charles Rosenwald School Restoration Initiative Request		ITEM NUMBER: 7C
	ATTACHMENTS:		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT(s): Tom Bonadeo / Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

On February 11, 2010, Ms. Valentine Evans addressed the Council regarding the Cape Charles Rosenwald School Restoration Initiative (CCRSRI) stating that the CCRSRI had plans to place a historic marker on the property identifying the historic nature of the school. Tom Bonadeo also addressed the Council requesting support for this initiative and read a letter from the CCRSRI into record which stated that an application for a State Historic Marker was being submitted to the Virginia Department of Historic Resources and asked that for the Town's support by allowing the CCRSRI to erect the sign in the public right-of-way adjacent to the school and a financial contribution towards their endeavor. The total cost of construction and erection of the sign was approximately $1,350.

DISCUSSION:

On April 13, 2010, a budget work session was held and funding for this sign was included in the preliminary Town Manager budget under Community Support. After some discussion, this amount was deleted as Council felt the sign was premature in that the owner of the property must give permission for placement of the sign and plans needed to be developed for restoration of the building.

On September 10, 2010, a letter was received from Ms. Tevya Griffin, CCRSRI President, informing Council that the State Historic Marker application was submitted and the approved applications would be announced in December 2010. Ms. Griffin stated that the CCRSRI is raising funds to pay for the marker and any monetary contribution made by the Town would be welcomed and appreciated. If the State approves the marker, the CCRSRI plans to host an unveiling ceremony and would like to work in partnership with the Town to make the event a success.

RECOMMENDATION:

Staff recommends discussion regarding the request from the CCRSRI and support of the initiative in allowing the marker to be placed in the public right-of-way on Old Cape Charles Road and possible monetary support for the marker.

TOWN OF CAPE CHARLES	AGENDA TITLE: November Town Council Meeting Dates		AGENDA DATE: October 14, 2010
	SUBJECT/PROPOSAL/REQUEST: Schedule alternate meeting dates since regular dates fall on holidays		ITEM NUMBER: 7D
	ATTACHMENTS: November Calendar		FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT(s): Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The regular meeting of the Town Council is scheduled for the second Thursday of each month and a work session is scheduled for the fourth Thursday of each month.

DISCUSSION:

This year the second Thursday falls on November 11th which is Veterans Day. § 15.2-1416 of the Code of Virginia states that "Should the day established by the governing body as the regular meeting day fall on any legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the governing body." The next regular business day is Friday, November 12th. If the regular meeting is held on this day, no advertising would be necessary. If the Council opts to schedule the regular meeting on any other day, notice must be posted and advertised at least seven days prior to the meeting date. The regular meeting can be rescheduled for November 8th, 9th, 10th or 12th.

The Council work sessions have been scheduled for the fourth Thursday of each month and this year, the fourth Thursday falls on November 25th which is Thanksgiving. The work session can be rescheduled to November 18th.

RECOMMENDATION:

Staff recommends discussion regarding possible dates and scheduling of the November regular meeting pursuant to § 15.2-1416 of the Code of Virginia. A date also needs to be set for the November Work Session.

Town of Cape Charles
November 2010

Revised 10/7/10

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	1	2 *6:00 PC Public Hearing & Regular Meeting*	3	4	5	6
7	8	9	10	11 *Veteran's Day Holiday*	12 *6:00 TC Regular Mtg @ St. Charles Parish Hall*	13
14	15	16 *2:00 Broadband Team* *4:30 HDRB*	17	18	19	20
21	22	23	24 *Thanksgiving Holiday Offices close @ Noon*	25 *Thanksgiving Day Holiday*	26 *Thanksgiving Friday Holiday*	27
28	29	30				