



# TOWN COUNCIL

## Regular Meeting

June 19, 2014

St. Charles Parish Hall

6:00 PM

1. Call to Order
  - A. Roll Call
  - B. Establish quorum
2. Invocation and Pledge of Allegiance
3. Installation of New Mayor and Council Members / Oaths of Office
4. Public Comments (3 minutes per speaker)
5. Consent Agenda
  - A. Approval of Agenda Format
  - B. Approval of Minutes
6. Department Reports
  - \*A. Treasurer's Report
  - B. Planning Commission and Boards
  - C. Other Department Reports
7. Old Business
  - \*A. Eastern Shore of Virginia PSA – Appointment to PSA Subcommittee
  - \*B. FY 2014/2015 Proposed Budget & Appropriation
  - \*C. USDA Grant/Loan Resolution for New Police Vehicle
8. New Business
  - \*A. Charon Ventures Extension Request
  - \*B. W. M. Schlosser Contract
  - \*C. Town Council Meeting Location
  - \*D. Town Council Representative to Library Board
9. Mayor & Council Comments (5 minutes per speaker)
10. Announcements
  - July 3, 2014 – Town Council Work Session, 6:00 PM, Town Hall - tentative
  - July 4, 2014 – Town Offices Closed in observance of Independence Day
  - July 4, 2014 – Fireworks Display and Celebration
  - July 5, 2014 – Cape Charles Volunteer Fire Company Seafood Festival
  - July 17, 2014 – Town Council Regular Meeting
11. Adjourn at 8:00 P.M.



**DRAFT**  
**TOWN COUNCIL**  
**Regular Meeting**  
**St. Charles Parish Hall**  
**May 22, 2014**  
**6:00 PM**

At approximately 6:00 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Regular Meeting of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Sullivan, and Councilwoman Natali. Councilmen Godwin and Wendell were not in attendance. Also in attendance were Mayor-elect George Proto, Town Manager Heather Arcos, Treasurer Debbie Pocock, Town Planner Rob Testerman and Town Clerk Libby Hume. The majority of the Department Heads were in attendance as well as approximately 10 members of the public.

Vice Mayor Bannon gave the invocation which was followed by the recitation of the Pledge of Allegiance.

**RECOGNITION OF VISITORS / PRESENTATIONS**

*John Burdiss, Cape Charles Christian School/Crabby Blues Festival*

Mr. Burdiss thanked the Mayor and Council for inviting him and began by giving the background on the Crabby Blues Festival. Many people had assisted with the festival including: Debbie Mountain, Holly Hubbard, Tammy Holloway, Valerie Travis and several other volunteers. Mr. Burdiss explained that The Bridge Network donated the inflatables, Fig Street Bed and Breakfast promoted the event, the Northampton County Sheriff's Department assembled and disassembled the fence, Pfeiffer riding stables provided the animals and horse train and the Town of Cape Charles assisted with the event. Mr. Burdiss commended Pete Leontieff for his assistance and support for the entire event and also thanked Heather Arcos, Jen Lewis, Jeb Brady and Dave Fauber.

Mr. Burdiss stated the following: i) Both food and craft vendors did well and wanted to return next year; ii) About 900 people attended the event; iii) There were 31 sponsors for a total of \$10,500 in sponsorships. Only \$3,500 had been received in sponsorships last year; iv) The Cape Charles Christian School (CCCS) netted about \$2,500; v) The 2015 Crabby Blues Festival would be held on May 16<sup>th</sup>. There was already an additional food vendor signed up as well as a sponsor for all of the music. vi) The CCCS spent \$4,417 to upgrade the electric service for Central Park and Citizens for Central Park had given a \$1K sponsorship to assist with that; and vii) The CCCS had agreed to move forward with the \$300K capital campaign to finish the sanctuary and renovate the school. There would be a fundraiser to give people a chance to dedicate a window to someone which would help fund some of the cost of the restoration.

Mr. Burdiss presented banners to the Town of Cape Charles and Citizens for Central Park.

**PUBLIC COMMENTS:**

*Donna Olney Kohler, 711 Tazewell Avenue*

Ms. Kohler addressed the Council regarding the LOVE project. (Please see attached.)

*Veann Duvall, 110 Tazewell Avenue*

Ms. Duvall addressed the Council regarding expensive water bills. Ms. Duvall felt that the Council should have a discussion or several discussions regarding how to lower the water bill. Ms. Duvall asked why the Town did not have a hiring freeze and stated that the Town could save money in this area and asked why the Town was hiring a Maintenance Worker in the Public Works Department. Mayor Sullivan stated that there were four employees in the Public Works Department for the whole Town and explained that one employee had resigned.

Ms. Duvall continued by stating that she heard a rumor that the Town was going to hire a full-time Assistant Town Manager and asked why a small town needed two Town Managers. Ms. Duvall concluded by suggesting that Council discuss lowering the water bill and consider a hiring freeze.

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

**CONSENT AGENDA – APPROVAL OF AGENDA FORMAT:**

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

**CONSENT AGENDA – APPROVAL OF MINUTES:**

The Town Council reviewed the minutes of the April 24, 2014 Public Hearing, the April 24, 2014 Regular Meeting, the May 1, 2014 Special Meeting, the May 1, 2014 Budget Work Session, the May 1, 2014 Executive Session, and the May 8, 2014 Work Session.

**Motion made by Councilwoman Natali, seconded by Vice Mayor Bannon, to approve the minutes from the April 24, 2014 Public Hearing, the April 24, 2014 Regular Meeting, the May 1, 2014 Special Meeting, the May 1, 2014 Budget Work Session, the May 1, 2014 Executive Session, and the May 8, 2014 Work Session as presented. The motion was approved by unanimous consent.**

**DEPARTMENT REPORTS:**

*C. Treasurer's Report:*

Treasurer Deborah Pocock reviewed the Treasurer's report dated April 30, 2014 which showed \$464,573 in the Shore Bank checking account, \$97,334 in the Local Government Investment Pool (LGIP) account for utilities which was no longer restricted under the USDA Rural Development Loan, \$509,288 in the unrestricted LGIP account. Deborah Pocock added that the funds in the LGIP account for the Library was also released to the General Fund and continued her review of the Cash Position report regarding restricted and reserved cash balances which showed \$96,585 in the Shore Bank checking account for reserved facility fees, \$1,231 in the Shore Bank Savings Account for Police Funds, and \$257,587 in the US Bank reserve account per the VRA interest free Loan requirements. The Total Cash on Hand was \$1,071,195, the Total Cash Held in Reserve was \$355,403 and the total of all accounts was \$1,426,598. The decrease in the Shore Bank checking account reflected a capital project payment of \$132K. Deborah Pocock went on to review the Tax Collection Comparison for Fiscal Years (FY) 2013 and 2014, the Revenues vs. Expenditures, the Capital Improvement Projects, the 2013 real estate tax collections, and the 2013 personal property tax, machinery and tools tax and 2014 license tax collections. The current total debt amounted to \$10.17M which was scheduled to be paid off in 2034. The FY 2013 financial audit was complete and would be reviewed at the next work session.

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

*B. Planning Commission and Boards:*

Town Planner Rob Testerman reported the following: i) FEMA and Northampton County staff held an informational meeting on May 12<sup>th</sup> in Eastville. Property owners met with FEMA representatives on an individual basis. The effective date of the new flood plain maps would be March 2015; and ii) Due to recent changes to the Virginia Stormwater Management Act, a number of localities were eligible to opt out from developing their own plans and allow the Dept. of Environmental Quality (DEQ) to manage their stormwater plans. Northampton County decided to opt out. The Town had previously fallen under the County's plan. The Town did not have enough staff to manage our own stormwater plan and was awaiting information regarding how we could also opt out and fall under the DEQ.

Councilwoman Natali asked about the status of the backyard chicken survey. Rob Testerman stated that a message was included on the last utility bills and an article was also in the last Gazette. Hard copies were also available in the Town Hall for residents without computer access. The deadline was May 31<sup>st</sup>. Staff would compile the responses for review by the Planning Commission.

C. *Other Departmental Reports:*

Public Utilities/Public Works Director Dave Fauber reported the following: i) the pier would be open on May 23<sup>rd</sup>. Access would be from the beach. There were currently no lights on the pier so the pier would be open from dawn to dusk. Signs would be placed regarding the access limitations until the pier was completed and lighting reinstalled; and ii) Bayshore Concrete donated 6K cubic yards of sand to the Town. The sand had been tested and was good sand. The cost to the Town for hauling the sand to the beachfront was approximately \$5 - \$6 per cubic yard vs. \$12 - \$13 per cubic yard if the Town had to purchase the sand for the beach replenishment. The project should be completed next week. No work would be done during the Memorial Day weekend.

Code Official Jeb Brady reported the following: i) 18 permits were issued so far this month for a total of \$2,400; ii) He had performed 45 inspections in May; iii) Haase Inc., the general contractor for Charon Ventures, had pulled an interior demolition/structural stabilization permit for the former school building; iv) The Cape Charles Volunteer Fire Company responded to a grease fire in a house on Wednesday. There were no injuries. The Fire Chief rescued the family dog. The house was saved but sustained extensive smoke damage. ServPro estimated that restoration would take about two months. Due to the CCVFC's quick response time the insurance company estimated that \$100K was saved. The property owner was extremely impressed with the CCVFC.

Town Manager Heather Arcos reported the following: i) A public input meeting regarding the Art Walk was scheduled for June 3<sup>rd</sup> at 6:00 PM at the Palace Theatre. The consulting firm would also be giving a presentation regarding the overall concept of the Art Walk; ii) The acquisition of the 7 lots from Mr. Foster would be completed on May 23<sup>rd</sup>. Council's conditions had been met and the Town would collect \$104,750.98 in delinquent taxes. The purchase price for the 7 lots was \$100K; iii) Representatives from Edmunds Software were in Town last week to provide training for the Finance Dept. staff. The Finance Dept. was doing a good job and benefitted from the training; and iv) The Compensation Study surveys were completed by all employees and returned to Springsted. Springsted representatives would be coming back to meet with the employees to talk to them and evaluate the work processes. Staff hoped to have a final report within the next several months.

**OLD BUSINESS**

A. *Cape Charles Community Trail – Phase 2 Update*

Heather Arcos stated that the estimated project cost was \$1.57M. The Town's portion was a 20% match in the amount of \$310K which was included in the PNC long term financing. Once final approval was received from VDOT, the project would be put out to bid. Land Studio was working on the construction timeline.

B. *FY 2014-2015 Proposed Budget – Schedule Public Hearing*

Heather Arcos stated that the proposed FY 2014-2015 Budget totaled \$7,215,523 and included \$2,472,138 for Capital Projects. The proposed General Fund budget was \$3,707,715. The Transient Occupancy Tax (TOT) rate would increase by .7% effective January 1, 2015 and revenue from the TOT was designated for tourism initiatives which included the Cape Charles By the Bay website, the Cape Charles Museum, Arts Enter, Tall Ships, the Birding and Wildlife Festival, and fireworks. The proposed budget also included a 2% cost of living increase for all employees and \$25K for the CCVFC, an increase from \$18,600 from this year's budget. One

position at the Harbor was being upgraded from part time to full time. The trash collection fee would increase from \$12.57 per month to \$13.50 to reflect the increase per the Davis Disposal contract. The water rate would decrease from \$34.50 to \$31.15 per month and the wastewater rate would increase from \$60.85 to \$63.27 per month. The total cost to the consumer would remain unchanged at \$107.92 per month. A contingency line was included in the Town Manager budget for unexpected expenses. The amount was increased from \$110K at the last work session to \$120K as a result of recent changes in the Virginia Retirement System. The changes would be discussed later in the meeting. A public hearing was required prior to adoption of the budget.

**Motion made by Councilman Bennett, seconded by Councilman Sullivan, to set a public hearing for June 12, 2014 at 6:00 PM to hear comments regarding the proposed FY 2014-2015 budget. The motion was approved by unanimous consent.**

C. *Northampton County Zoning Ordinance Resolutions*

Rob Testerman stated that at the May 8<sup>th</sup> Work Session, Council discussed a possible resolution to submit to Northampton County regarding decisions being made on their revised zoning ordinance. Council recommended a second resolution regarding the Special Use Permit process. Also discussed at the May 8<sup>th</sup> meeting, was the inclusion of a reference to the Annexation Agreement in the second resolution to the County. Rob Testerman stated that he did not include this language at this time since the Annexation Agreement was a separate issue from zoning. Heather Arcos stated that a work session would be held regarding the Annexation Agreement and related agreements.

Council reviewed i) Resolution 20140522 Supporting the Inclusion of the Historic Town Entrance Overlay Corridor in the Proposed 2014 Zoning Amendments Under Consideration by the Northampton County Board of Supervisors (BOS) and ii) Resolution 20140522A Supporting the Continuation of Planning Commission Involvement in the Special Use Permit Process in the Proposed 2014 Zoning Amendments Under Consideration by the Northampton County Board of Supervisors.

i. *Resolution 20140522:*

Councilwoman Natali noted that the last line of the Resolution requested it to be read into record at the May 2014 meeting of the BOS and added that their May meeting was held last week and suggested it be changed to "the next scheduled meeting." Councilwoman Natali also suggested that language in the preceding paragraph be changed to request the BOS to "include" the draft of the Historic Town Entrance Overlay Corridor vs. "consider inclusion."

**Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to approve Resolution 20140522 Supporting the Inclusion of the Historic Town Entrance Overlay Corridor in the Proposed 2014 Zoning Amendments Under Consideration by the Northampton County Board of Supervisors as discussed. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Natali, yes; Sullivan, yes.**

ii. *Resolution 20140522A:*

Councilwoman Natali suggested the same change regarding the May 2014 meeting of the BOS.

**Motion made by Councilman Bennett, seconded by Councilwoman Natali, to approve Resolution 2014052A Supporting the Continuation of Planning Commission Involvement in the Special Use Permit Process in the Proposed 2014 Zoning Amendments Under Consideration by the Northampton County Board of Supervisors as discussed. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Natali, yes; Sullivan, yes.**

**NEW BUSINESS:**

A. *National Public Works Week Proclamation*

Mayor Sullivan stated that the American Public Works Association annually sponsored the National Public Works Week to recognize and thank the employees in Public Works for all that they did on a daily basis. This year, the week of May 18 – 24 was designated as National Public Works Week.

**Motion made by Vice Mayor Bannon, seconded by Councilman Bennett, to adopt Proclamation 20140522 In Honor of National Public Works Week. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Natali, yes; Sullivan, yes.**

B. *Building Safety Month Proclamation*

Jeb Brady stated that the International Code Council (ICC) was the most widely adopted building safety, energy and fire prevention codes in the nation and were used by most U.S. cities, counties and states. Building Safety Month was sponsored by the ICC annually to remind the public about the critical role of our local code officials who ensure safe, efficient and livable buildings. Jeb Brady continued to state that in 2010, there were over 362K residential fires resulting in \$6.5B in property damage with 2,500 deaths and 13K injuries. Cooking fires were the third leading cause of death. Jeb Brady requested Council adoption of Proclamation 20140522A designating the month of May as Building Safety Month.

**Motion made by Councilman Bennett, seconded by Councilwoman Natali, to adopt Proclamation 20140522A Designating May 2014 as Building Safety Month. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Natali, yes; Sullivan, yes.**

C. *USDA RD Grant/Loan Award for New Police Car*

Heather Arcos stated that at the September 19, 2013 meeting, Council authorized submission of an application for grant funding and loan to the USDA Rural Development (USDA RD) to purchase a new police vehicle. At the time of application, it was intended to replace the 2008 Ford Crown Victoria. The Crown Victoria was totaled in an accident last fall and Council opted to purchase a replacement vehicle outright. Staff received notification that the Town was awarded a grant in the amount of \$8,100 and loan approval for \$15,100 to purchase a new police vehicle. The Police Dept. would like to purchase a 2014 Dodge Charger to replace the 2010 Dodge Charger which was due to come off the Police Dept. 5-year rotation. The 2010 Dodge Charger had needed some minor repairs but could be utilized as an administrative vehicle to be shared by staff for out-of-town meetings and training. The USDA RD's current interest rate was 4.125% for a 5-year loan with an annual payment of \$3,404. There were no prepayment penalties under the guidelines of the loan. If financed for the full 5 years, the total amount of interest paid by the Town would be \$1,920. The first annual payment would be due in FY 2015-2016. A letter of intent had been signed but a resolution was required in order to finalize the grant funding and loan. Receipt of the necessary documentation was expected within the month and would be presented to Council for review and adoption at the June meeting.

D. *Eastern Shore of Virginia Public Service Authority*

i. *Appointment of Two Cape Charles Representatives to Subcommittee*

Mayor Sullivan stated that a letter was received from the Northampton County BOS regarding the formation of an Eastern Shore of Virginia Public Service Authority (PSA) Subcommittee to work with the Town relative to the provision of wastewater service to the PSA. The subcommittee would be comprised of 2 members of the BOS, 2 members of the PSA and 2 members from the Cape Charles Town Council. The BOS was requesting appointment of the 2 Council or Council-elect members to serve on the PSA subcommittee.

Mayor Sullivan continued by stating that she had spoken to the Council members and Council-elect members and Councilwoman Natali and Councilman Wendell had agreed to serve on the subcommittee. Vice Mayor Bannon suggested that Mayor-elect Proto serve on the committee but Mr. Proto declined stating that he was currently involved in a lot of things and would not have the time to dedicate. Councilman Bennett stated that he was interested in serving but also did not have the time to do so.

There was some discussion regarding Councilman Wendell serving on the subcommittee since he owned property in the proposed service area. Councilman Bennett suggested that Councilman Wendell obtain an opinion regarding the possible conflict of interest from the Commonwealth Attorney. If the response came back that there was no conflict, Councilman Wendell could be appointed as the second representative on the subcommittee. Vice Mayor Bannon agreed.

Council was in agreement that one representative to the subcommittee would be appointed this evening and the second representative would be appointed at the June meeting.

**Motion made by Vice Mayor Bannon, seconded by Councilman Sullivan, to appoint Councilwoman Natali to the PSA Subcommittee. The motion was unanimously approved.**

*ii. Re-appointment of Cape Charles Representative to PSA*

Heather Arcos stated that the PSA was an advisory board for the Northampton County Board of Supervisors (BOS) consisting of five members appointed by the BOS and one member from each of the incorporated towns of Cape Charles, Cheriton and Exmore. Each member served a four-year term. In 2010, Bob Panek was appointed by the Town Council to serve as the Cape Charles representative and his current term was due to expire on June 30, 2014. Mr. Panek had been part of the PSA since the inception of the regional wastewater services concept and was very knowledgeable regarding the issues involved. Mr. Panek was interested in continuing his service on the PSA Board.

**Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali, to reappoint Bob Panek to the Eastern Shore of Virginia Public Service Authority for another four-year term.**

Councilman Bennett stated that the town had a lot of qualified citizens and asked if other citizens had been considered to serve on the PSA Board. Councilman Sullivan added that he was agreeable with tabling this appointment to the next meeting and advertising to see if any other citizens were interested.

**The vote on the motion was tied with Vice Mayor Bannon and Councilwoman Natali voting in favor and Councilmen Bennett and Sullivan opposed. Mayor Sullivan cast the tie-breaking vote in favor of reappointing Bob Panek to the PSA for another four-year term.**

*E. Virginia Retirement System Resolution*

Heather Arcos stated that the Town of Cape Charles was a member of the Virginia Retirement System (VRS). The VRS evaluated the Employer Retirement Contribution Rates every two years and the information regarding the VRS Board-certified rate and alternate rate was recently received. The Town's Board-certified rate for the 2015-2016 biennium was 5.17% and the alternate rate was 7.15%. A resolution must be adopted regarding the approved rate and submitted to the VRS by July 1, 2014. Heather Arcos went on to state that the Town's rate for the last two years was 8.79% which was more than the necessary amount to fully fund the account. By choosing the 5.17%, the Town would still be fully funding the retirement program. The alternate rate of 7.15% would again be increasing the funded amount. The staff recommendation was to reduce the Town's contribution rate to 5.17% as provided by the VRS and the proposed FY2015 budget would be adjusted accordingly.

**Motion made by Vice Mayor Bannon, seconded by Councilman Sullivan, and unanimously approved to adopt Resolution 20140522B designating the Town's Employer Contribution Rate of 5.17%. Roll call vote: Bannon, yes; Bennett, yes; Natali, yes; Sullivan, yes.**

F. *U.S. Army Corps of Engineers Harbor Dredging/Beach Replenishment*

Rob Testerman stated that the U.S. Army Corps of Engineers (USACE) last dredged the Cape Charles Harbor in 1989 and all permits relating to the harbor dredging had since expired. The permit approval for the next scheduled harbor dredging was anticipated in November 2014 with construction beginning in January 2015 and completion in April 2015. There was concern that any additional project delays could possibly push the construction time into Cape Charles' peak tourist season. The USACE requested a letter from the Town, for inclusion in their permitting process, confirming an amenable plan in case of a delay. The Town would request that the Town beach site be completed first and that if there were any additional delays that pushed the construction into the tourist months, half of the beach would remain open at any given time. If purchased, the estimated cost of the sand at \$12-\$15 per cubic yard plus site work was \$936,000-\$1,170,000 based on 78,000 cubic yards.

**Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali, to submit a letter to the Army Corps of Engineers requesting that the Town beach site be completed first, and that in the event of delays, half of the beach would remain open at any given time. The motion was approved by unanimous consent.**

**MAYOR AND COUNCIL COMMENTS**

Mayor Sullivan congratulated those who ran for office and received the most number of votes.

Vice Mayor Bannon thanked everyone who voted for him.

Councilwoman Natali thanked those who voted for her and added that she was truly appreciative and would do her best to continue to represent them in the best way possible.

Councilmen Bennett and Sullivan stated that they did not have any further comments.

**ANNOUNCEMENTS**

- May 26, 2014 – Town Offices Closed in observance of Memorial Day
- May 26, 2014 – Veterans' Memorial Day Ceremony by American Legion Post 56, 11:00 AM
- May 26, 2014 – Cape Charles Memorial Library Rededication Ceremony, 11:30 AM
- May 31, 2014 – Bike MS
- May 31, 2014 – Benefit By the Bay
- June 5, 2014 – Town Council Work Session, 6:00 PM, Town Hall
- June 5, 2014 – Town Council Executive Session, Immediately following Work Session
- June 12, 2014 – Town Council Budget Public Hearing, 6:00 PM, Town Hall
- June 14 – 15, 2014 – Tall Ships
- June 19, 2014 – Town Council Regular Meeting, 6:00 PM, St. Charles Parish Hall

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

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Mayor Sullivan

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Town Clerk

**Public Comments Provided in Writing**  
**May 22, 2014**

*Donna Olney Kohler, 711 Tazewell Avenue*

My name is Donna Olney Kohler and I live at 711 Tazewell Avenue. I am here this evening as a representative of the Cape Charles Business Association to give an update on the LOVE project.

WE held our LOVE Train! Fundraiser on Saturday, May 3<sup>rd</sup> with about 65 participants dancing their way down Mason Avenue. Six restaurants also offered drink and food specials that day with a LOVE theme, and we raised just under \$1,400 from those activities. We currently have LOVE donation buckets at business throughout town as well as a window display in the 200 block of Mason Avenue to continue to promote the program and solicit more donations.

Our next fundraiser is called LOVE Letters which will be a temporary art installation at The Point from June 13 through July 4. LOVE Letters will be made up of 12 inch red hearts that we are selling for \$35 with custom, hand-written messages of LOVE. Order forms and posters have gone up around town and we will be taking orders over the next 2 weeks. There are some order forms and information on the sign-in table if anyone would like to take one before leaving this evening.

We have applied for a grant from the Virginia Tourism Corporation and received word yesterday that they are very excited about our installation and will let us know in the coming weeks about how much we are being given.

Total construction costs will be about \$5,000. We have been able to begin construction thanks to a generous offer from a local business to front the money and then we will pay them back from our fundraising.

LOVE will be debuted in the Fourth of July Parade and we are planning a ribbon cutting ceremony for Wednesday, July 9<sup>th</sup> that we hope the Council, Town Employees, and area residents will attend to welcome LOVE to Cape Charles.



**DRAFT  
TOWN COUNCIL**

**Work Session**  
Town Hall  
June 5, 2014  
6:00 PM

At 6:00 p.m., Mayor Dora Sullivan, having established a quorum, called to order the Town Council Work Session. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Godwin and Sullivan, and Councilwoman Natali. Councilman Wendell was not in attendance. Also present were Mayor-Elect George Proto, Town Manager Heather Arcos, Assistant Town Manager Bob Panek, Treasurer Deborah Pocock, Code Official Jeb Brady and Town Clerk Libby Hume. There were no members of the public in attendance.

Mayor Sullivan announced the business for the evening would be to review the Fiscal Year (FY) 2013 Audit Report and Commercial Connection Charges.

*FY 2013 Audit Report:*

Town Manager Heather Arcos stated that the FY 2013 Audit was originally scheduled for January 2014 but Robinson, Farmer, Cox Associates, the auditing firm, postponed the audit on two occasions due to inclement weather. The audit was performed in April 2014.

Treasurer Deborah Pocock reviewed Exhibit 3 – Balance Sheet, Exhibit 5 – Statement of Revenues, Expenditures, and Changes in Fund Balance, and Exhibit 8 – Statement of Revenues, Expenses, and Changes in Fund Net Position.

Councilman Bennett suggested that the Town's total net position of \$25,795,177, which was shown on Exhibit 1, be noted for the record.

Deborah Pocock explained the Fund Balance to the Council.

There was some discussion regarding the issue of the utility clerk performing the billing and collections on said bills. Deborah Pocock stated that this was an issue when the Town had combined the utility billing and accounts payable positions into one position. In 2013, these positions were split again into two positions, but the Town's four person finance staff did not allow for dedication of staff duties to the degree recommended. Although the Utility Clerk billed and accepted payments, the remainder of the finance department staff also received payments. If a customer paid with cash, procedure dictated they be given a receipt.

The issue regarding the Clam Slam event accounting was briefly discussed. Heather Arcos stated that cash prizes were given out in August 2012, but in August 2013, checks were used for the prizes.

*Commercial Connection Charges:*

Assistant Town Manager Bob Panek stated that the Town Council reviewed a commercial water and wastewater facility fee comparison at the February 8, 2014 Retreat and this issue was briefly reviewed again at the March 6, 2014 Budget Work Session when the Council agreed that a more in depth study of the issue was needed. As directed by Council, staff completed additional research and drafted proposed modifications to the Town Code §§ 70-35 and 71-42 (please see attached).

The Town Council reviewed the Class II Connection Charges presentation which showed a variety of business types and the current and proposed fees using the current and recommended calculations. (Please see attached.)

There was much discussion regarding the fees using the proposed calculations. Bob Panek stated that the usage rates would have to be reviewed every couple of years and necessary adjustments would have to be made depending on the actual usage factors for each business type.

Councilman Sullivan brought up the issue of a change in use from a typically low usage type of business to a higher usage business and asked how that would be handled. Councilwoman Natali suggested language be added into the ordinances that tied the fees to the use and that if the use was changed, the fees would be re-evaluated.

There was also some discussion regarding the possibility of a connection charge rebate as a Tourism Zone incentive.

Councilman Sullivan suggested grouping businesses in tiers. Tier 1 would be for low usage businesses and the charge would be equivalent to a one-bedroom residence. Tier 2 would be equivalent to a regular residence. Tier 3 would be for higher usage businesses such as restaurants and hotels and the proposed calculation would be used. Bob Panek stated that a table of business types would be created and language would be added for extremely high usage businesses stating that the Town Manager would evaluate the usage and present the information for Town Council approval.

Heather Arcos stated that staff would make the necessary changes as discussed this evening and another work session would be scheduled.

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

\_\_\_\_\_  
Mayor Sullivan

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Town Clerk

**Sec. 70- 35. Connection Charges.**

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the costs associated with maintaining the waterworks. The facility fee covers the capital cost of creating waterworks capacity.
- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$4,000, for a total charge of \$4,875. For residences having fewer than two bedrooms, the charge shall be one-half of that amount.
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: Class I facility fee x residential equivalent. Residential equivalent shall be the estimated daily water consumption rate for the building, as shown below, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council.

<u>Building Use</u>	<u>Gallons Per Day</u>
Food and Beverage, principally sit down	8 per seat
Food and Beverage, principally carry out	113
Lodging	44 per lodging room
Retail Sales	16 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000
Office	23 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000
Medical Office	46 per provider
Manufacturing*, Distributing, Servicing	134 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000

\*excluding water incorporated into a product

For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption.

- (d) Such charges, plus \$100 for inspection and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.

**Sec. 71- 42. Connection Charges.**

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the Town’s costs associated with maintaining the treatment works. The facility fee covers the capital cost of creating treatment works capacity.
- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$6,600, for a total charge of \$7,475. For residences having fewer than two bedrooms, the charge shall be one-half of that amount.
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: Class I facility fee x

residential equivalent. Residential equivalent shall be the estimated daily water consumption rate for the building, as shown below, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council.

<u>Building Use</u>	<u>Gallons Per Day</u>
Food and Beverage, principally sit down	8 per seat
Food and Beverage, principally carry out	113
Lodging	44 per lodging room
Retail Sales	16 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000
Office	23 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000
Medical Office	46 per provider
Manufacturing*, Distributing, Servicing	134 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000

\*excluding water incorporated into a product

For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption.

- (d) Such charges, plus \$100 for inspection fees and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.

**Sec. 70- 35. Connection Charges.**

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the costs associated with maintaining the waterworks. The facility fee covers the capital cost of creating waterworks capacity.
- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$4,000, for a total charge of \$4,875. For residences having fewer than two bedrooms, the charge shall be one-half of that amount. ~~Such charge, plus \$100 for inspection and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.~~
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: ~~Class I facility fee + (Class I facility fee x residential equivalent x 10%)~~. Residential equivalent shall be the estimated daily water consumption rate for the building, as ~~shown below defined by the Virginia Department of Health Waterworks Regulations~~, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council.

<u>Building Use</u>	<u>Gallons Per Day</u>
<u>Food and Beverage, principally sit down</u>	<u>8 per seat</u>
<u>Food and Beverage, principally carry out</u>	<u>113</u>
<u>Lodging</u>	<u>44 per lodging room</u>
<u>Retail Sales</u>	<u>16 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000</u>
<u>Office</u>	<u>23 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000</u>
<u>Medical Office</u>	<u>46 per provider</u>
<u>Manufacturing*, Distributing, Servicing</u>	<u>134 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000</u>
<u>*excluding water incorporated into a product</u>	

~~For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption. The inspection and review fees above also apply to Class II permits.~~

- ~~(d) Such charges, plus \$100 for inspection and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.~~

**Sec. 71- 42. Connection Charges.**

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the Town’s costs associated with maintaining the treatment works. The facility fee covers the capital cost of creating treatment works capacity.

- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$6,600, for a total charge of \$7,475. For residences having fewer than two bedrooms, the charge shall be one-half of that amount. ~~Such charge, plus \$100 for inspection fees and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.~~
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: ~~Class I facility fee~~  $(\text{Class I facility fee} \times \text{residential equivalent} \times 10\%)$ . Residential equivalent shall be the estimated daily water consumption rate for the building, as ~~shown below~~ defined by the Virginia Department of Health Waterworks Regulations, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council.

<u>Building Use</u>	<u>Gallons Per Day</u>
<u>Food and Beverage, principally sit down</u>	<u>8 per seat</u>
<u>Food and Beverage, principally carry out</u>	<u>113</u>
<u>Lodging</u>	<u>44 per lodging room</u>
<u>Retail Sales</u>	<u>16 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000</u>
<u>Office</u>	<u>23 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000</u>
<u>Medical Office</u>	<u>46 per provider</u>
<u>Manufacturing*, Distributing, Servicing</u>	<u>134 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000</u>
<u>*excluding water incorporated into a product</u>	

For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption. ~~The inspection and review fees above also apply to Class II permits.~~

- (d) Such charges, plus \$100 for inspection fees and review fees, shall be paid to the Building Department at the time of building permit issuance, or to the Town Treasurer pursuant to any payment programs authorized by Town Council, prior to the initiation of connection related construction activities.

# Class II Connection Charges

Council Work Session

June 5, 2014

# Class II Connection Charges

- Class II water and wastewater connection charges apply to construction of new commercial or industrial buildings.
- Most of it is the Facility Fee to generate funds for plant capacity.
- Developers view it as a barrier to bringing economic activity to town.
- Reviewed at Council Retreat (2-8-2014) and Work Session (3-6-2014).
- Consensus to use realistic usage factors and eliminate inequity between high and low volume users due to Class I floor.
- Council requested refinement of current water usage factors and draft revision to Town Code.

# Class II Connection Charges

## Proposed Factors Based on Current Usage

<u>Building Use</u>	<u>Gallons Per Day</u>
Food & Beverage, sit down	8 per seat
Food & Beverage, carry out	113
Lodging	44 per room
Retail Sales	16 up to 5,000 sq ft*
Office	23 up to 5,000 sq ft*
Medical Office	46 per provider
Manufacturing**, Distributing, Service	134 up to 30,000 sq ft*

\*plus an increment per additional 1,000 sq ft

\*\*excluding water incorporated into a product

# Class II Connection Charges

## Sample Facility Fee Calculations

# Current vs. Proposed Usage Factors (GPD)

	<u>Current</u>	<u>Proposed</u>
• Food & Beverage, sit down	50 per seat	8 per seat
• Food & Beverage, carry out	50 per seat	113
• Lodging	130 per room	44 per room
• Retail Sales	250 per 1,000 sq ft	16 up to 5,000 sq ft*
• Office	25 per person	23 up to 5,000 sq ft*
• Medical Office	500	46 per provider
• Manufacture**, Distrib., Service	25 per person	134 up to 30,000 sq ft*

\*plus an increment per additional 1,000 sq ft

\*\*excluding water incorporated into a product

# Current vs. Proposed Facility Fees

	<u>Current</u>	<u>Proposed</u>
• 50 seat restaurant	\$ 31,800	\$ 33,920
• Ice cream parlor	\$ 19,080	\$ 9,582
• Retail store	\$ 21,200	\$ 1,357
• Accountant's office	\$ 11,448	\$ 1,950
• Doctor's office	\$ 14,840	\$ 3,901
• Automotive service	\$ 11,448	\$ 11,363
• 100 room hotel	\$120,840	\$373,120
• 200 room hotel	\$231,080	\$746,240

# ROM Estimates For On Site Wastewater Treatment

- Southern Node PER construction estimate for 90,450 gpd decentralized treatment and disposal - \$2.616M
- \$28.9 per gpd
- Estimates:
  - 100 room hotel w/CC usage =  $100 \times 44 \times \$28.9 = \$127.2\text{K}$
  - 100 room hotel w/VDH usage =  $100 \times 130 \times \$28.9 = \$375.8\text{K}$
  - 200 room hotel w/CC usage =  $200 \times 44 \times \$28.9 = \$254.3\text{K}$
  - 200 room hotel w/VDH usage =  $200 \times 130 \times \$28.9 = \$751.4\text{K}$

# Class II Connection Charges

- Draft revision of Town Code, redline & smooth, attached for review.
- Next steps:
  - ✓ Prepare ordinance with revisions.
  - ✓ Set public hearing at June 19 Council Meeting.
  - ✓ Hold public hearing; consider adopting ordinance at July 17 Council Meeting



***DRAFT***  
**TOWN COUNCIL**

**Executive Session**

**Town Hall**

**June 5, 2014**

**Immediately Following Work Session**

At approximately 7:40 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Executive Session of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Godwin and Sullivan and Councilwoman Natali. Councilman Wendell was not in attendance. Town Manager Heather Arcos and Assistant Town Manager Bob Panek were also in attendance.

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

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

**Specifically:** Review letter from The Hungry Crab, LLC

**Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali, to return to Open Session. The motion was approved by unanimous consent.**

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

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

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Mayor Sullivan

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Town Clerk



**DRAFT**  
**TOWN COUNCIL**  
**Public Hearing**  
**Town Hall**  
**June 12, 2014**  
**6:00 p.m.**

At 6:00 p.m. Mayor Dora Sullivan, having established a quorum, called to order the Public Hearing of the Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon, Councilmen Bennett, Godwin, Sullivan and Wendell, and Councilwoman Natali. Also in attendance were Town Manager Heather Arcos, Treasurer Debbie Pocock and Town Clerk Libby Hume. There were 7 members of the public in attendance.

Mayor Sullivan read the public hearing advertisements announcing that the evening's Public Hearing was to hear public comment regarding the Fiscal Year (FY) 2014-2015 Proposed Budget and Utility Rates. The budget would be discussed and brought to a vote at the regular meeting on June 19, 2014 at 6:00 p.m. at the St. Charles Parish Hall located at 550 Tazewell Avenue.

Mayor Sullivan opened the floor to public comments.

**PUBLIC COMMENTS:**

*Cela Burge, 117 Mason Avenue*

Ms. Burge began by stating that she had been terribly remiss over the past 10 years in not showing up and participating in the Council meetings and added that she had been talking to Councilman Wendell over the past year about sharpening the pencil and doing the best job with the resources that we had. Ms. Burge continued to state that everything that she was going to say was meant in the spirit of being positive and moving forward together; that there was no criticism of anything and went on to comment about the following: i) She would have liked to have access to more detail of the budget items because it was difficult to understand just the numbers without the detail. She encouraged Council to look at every single line item for every department to determine where the Town could gain more efficiencies and more economies; ii) She spoke highly of the Public Works Department adding that she had never seen the Town look so good. The Public Works crew was doing a fine job. She noticed a slight increase in the Public Works budget but wasn't sure what that was for; iii) In regards to Parks & Recreation, she was happy to see so many programs available for the kids and youth and everything that was going on in the Town adding that it was a healthy thing for the Town. The Parks & Recreation budget looked like it was down a couple of thousand dollars. She wasn't sure what that was but asked that the budget did not get cut too far; iv) In regards to the Sanitation budget, she asked that Council consider recycling and the possibility of the Town picking up recycling at least once a month. It would help the citizens without trucks and those who couldn't make it to the convenience center; v) She thanked Council for making the Capital budget available and added that she was supportive of getting the Library fully functional and designing the parking area behind it. She also expressed her support of the furniture for the new Civic Center to make that fully functional, adding that it would be much better to hold meetings in that facility vs. the conference room in the Town Hall; and vi) In previous budgets, the Town cooperated with a number of organizations in the Town, such as the Our Town group, the Historical Society and Citizens for Central Park, and urged Council to continue their support since there was so much to be gained with the cooperative efforts.

*Heinz Sommer, 7 Kings Court*

Mr. Sommer asked the following questions:

1. What changes were made to the tax rates and utility user fees for trash, water and wastewater in FY 2015 over FY 2014?
2. When would the Town or County make adjustments to the property assessments for the new fiscal year?
3. Has the town or county made any changes to the property assessments for the new FY?
4. Are the FY 2014 budget numbers actual or still showing the budgeted amounts?
5. What happens if funds are shifted from one expense category to another? Was the budget changed or are the changes reflected in the budget numbers which we were provided this evening?
6. What are the duplications of efforts between the County and the Town? For instance, the police, code enforcement and planning & zoning which were both performed in the County and the Town.
7. How much was the Town paying to the County for services the County provided for the Town? Were annual payments made to the County to cover these services?
8. Mr. Sommer referred to the Revenue & Expense Summary By Fund Report and noted that the Legislative budget showed an increase of 85% over 2014, the Town Clerk budget showed an 11% increase, the Town Manager budget showed a 50% increase, the Treasurer budget showed a 5% increase, the Public Works budget showed a 35% increase and the Wastewater budget showed a 28% increase. Mr. Sommer asked for an explanation and reasons for the increases.

Town Manager Heather Arcos informed Mr. Sommer that she would provide the answers to his questions in writing via email.

Councilman Bennett commented that Council meetings and work sessions were open to the public and encouraged everyone to attend and added that all of Mr. Sommer's questions had been discussed during the budget work sessions.

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

Mayor Sullivan thanked everyone for coming to the public hearing adding that she was happy to see citizens who were interested in the government. Mayor Sullivan went on to state that the comments would be taken into consideration and the proposed budget would be discussed and voted on at the June 19<sup>th</sup> meeting adding that everyone was invited to attend.

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

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Mayor Sullivan

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Town Clerk

# Planning Department Report for Town Council

From: Rob Testerman  
To: Town Council  
Date: June 5, 2014  
Subject: Report for Planning Department

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1. The land reclamation and beach nourishment project at Bay Vistas is scheduled to be completed by the end of the day June 5. This project was approved by the local wetlands board, VMRC and the Army Corps of Engineers in 2012.
2. Staff has submitted to VDOT data that shows all areas in town that are missing sidewalks, in order to enhance pedestrian facilities and further its mission to advance the "walkability" of sidewalks on the Eastern Shore. VDOT will integrate this information into its planning, design, and construction processes to maximize use and safety of pedestrian facilities.
3. The "urban chicken" survey has been completed. Data is being analyzed and will be reviewed by the Planning Commission at their June 9<sup>th</sup> meeting. Of the 81 responses by people who live or own property in Cape Charles, approximately 43% were in favor, 48% opposed, and 8% may support it, but would need more information.
4. The Town has received the revised JPA application for the Army Corps of Engineers' harbor dredging project, as the material is being placed on the town beach, no wetlands board hearing will be needed.
5. The majority of the Planning Commission attended the Arts Walk Committee public input session, to catch them up to speed for Comprehensive Plan Discussions.

## Permits Issued

- No new planning permits were issued this month.

## Planning Commission Meeting – April 1

1. The Planning Commission held its second Comprehensive Plan meeting on June 2. At the meeting, the Commission discussed emergency service needs, town parking, and the Harbor. The next Comprehensive Plan meeting will be Monday, June 30. All Comprehensive Plan review material can be found on the website.
2. The Planning Commission will hold its regular meeting Monday, June 9.
  - a. The Commission will continue discussions on the urban chicken ordinance, the results of the survey, and next steps.
  - b. The Planning Commission will begin discussion on the floodplain ordinance revisions. A model floodplain ordinance was provided by the state, however, as a CRS community, we are expected to go above and beyond the minimum requirements set forth in the model. We plan to have the draft prepared and reviewed by state officials by September 2014. Following the issuance of the Letter of Final Determination, the Town may then hold a public hearing to enact the revised floodplain ordinance.

## Code Enforcement

Month of May FY 2014

### Building Permits Issued/Permit Fees Collected:

Permits this month: 26	
Permits this year: 95	Total permits last year: 257
Total construction this month: \$204,575	
Total construction this year: \$6,503,306	Total construction last fiscal year: \$7,411,540
Permit fees this month: \$25,702.69	
Total permit fees this fiscal year: \$91,300.04	Total permit fees last fiscal year: \$177,559.27
Bay Creek Water/Sewer Tap fees: \$0	
The Colony/Sewer Water Tap fees: \$0	
Marina Village/Marina Village East Sewer/Water Tap fees: \$0	
Bayside Village Sewer/Water Tap fees: \$0	
Old-Town Water/Sewer Tap fees: \$0	
Total Tap fees this year: \$37,050	Total Tap fees last fiscal year: \$105,756
Fire Dept. levy this month: \$227.03	
Total Fire Dept. levies this year: \$3,950.13	Total Fire Dept. levies last fiscal year: \$3,195.93
State levy this month: \$45.41	
Total state levies this year: \$864.74	Total state levies last fiscal year: \$638.20
Miscellaneous Revenue: \$0	

### Existing Structures Code Enforcement Cases:

Total Cases: 27	
New this month: 0	
Closed this month: 0	
Rental Inspections: 12	
Rental C.O's Issued: 6	
Rental Inspection fees collected: \$500	
Grass cutting enforcement: 50	
Grass cutting: 10	
Enforcement fees charged this month: \$1,850	
Enforcement fees charged this year: \$4,600	Fees charged last fiscal year: \$10,050
Enforcement fees collected: \$2,910.48	
Enforcement fees collected this year: \$4,183.18	Fees collected last fiscal year: \$1,129.36

### Annual Fire Inspections (updated) (Completed)

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

### Annual Fire Reports (updated) (Completed)

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

Month of May FY14

**Other items of note:**

1. Completed **53** inspections
2. Conducted 1 zoning clearances
3. Completed 2courtesy residential inspections
4. Conducted 1 courtesy commercial inspection
5. Conducted 28 E & S control inspections
6. Conducted 0 commercial plan reviews for Erosion and Sedimentation Control.
7. Completed 0 residential plan reviews
8. Issued 0 Public Utilities Shallow Well permits
9. Continuing work with Bob Panek on alternatives to Class II Connection Fees.
10. Plans have been approved for the Cape Charles Loft Project. Anticipated to start very soon.  
The interior demolition permit has been issued with mobilization to start any time.
11. Working with Dave to get new Civic Center work completed
12. Construction throughout Town is still increasing with several new homes on the table with start dates within next couple of months.

06/10/14

# Permit/Construction Fee Report

Map Number	Permit#	Type	Date	Address	Work description	Permit Fee	Value
	PB140040	Building	05/13/2014	1011 Bayshore Road	40x80 Tent for Event	\$50.00	\$1,000
	PM140020	Mechanical	05/28/2014	1011 Bayshore Road	New Mechanical for Building	\$168.00	\$10,000
	PG140006	Gas	05/08/2014	605 Carousel Place	1 New Outlet to Fire Pit	\$56.00	\$700
	PT140006	UST/ AST	05/20/2014	634 Carousel Place	500 Gallon UST	\$56.00	\$250
	PG140007	Gas	05/20/2014	634 Carousel Place	New Gas Line	\$56.00	\$100
	PT140005	UST/ AST	05/01/2014	125 Creekside Lane	New 330 Gallon UST	\$56.00	\$200
	PG140005	Gas	05/01/2014	125 Creekside Lane	New Gas Line	\$56.00	\$200
	PB140041	Building	05/14/2014	505 Harbor Avenue	Add 42 sq. ft. deck on rear	\$56.00	\$1,200
	PB140038	Building	05/12/2014	501 Jefferson Avenue	Front Porch Repair	\$56.00	\$1,875
	PB140039	Building	05/12/2014	551 Madison Avenue	Siding & Small Roof Replacement	\$84.00	\$1,600
	PF140005	Fire Suppressio	05/09/2014	700 Marina Village Cir	Monitored Fire Alarm	\$95.20	\$3,500
083A3-0100-59	PP140026	Plumbing	05/14/2014	401 Mason Avenue	New On-Site Water Line	\$56.00	\$1,500
083A3-0100-24	PB140037	Building	05/07/2014	619 Monroe Avenue	Adding 2nd Floor	\$308.00	\$40,000
0090-00-01-049	PT140004	UST/ AST	05/01/2014	1 Moon Court	New 500 Gallon UST	\$56.00	\$200
	PG140004	Gas	05/01/2014	1 Moon Court	New Gas Line	\$56.00	\$200
	PM140016	Mechanical	05/06/2014	119 Pine Street	Upgrading Mini-Split	\$106.40	\$4,500
	PB140042	Building	05/20/2014	423 Plum Street	Interior Demo, Exterior Stabilization and Str	\$364.00	\$50,000
083A3-0100-60	PB140035	Building	05/09/2014	328 Randolph Avenue	Rehab	\$336.00	\$45,000
083A3-0100-46	PB140036	Building	05/05/2014	523 Randolph Avenue	Re-frame rear roof and walls	\$70.00	\$5,000
	PM140015	Mechanical	05/06/2014	209 Tazewell Avenue	1 New Mini Split	\$67.20	\$4,500
	PM140017	Mechanical	05/14/2014	229 Tazewell Avenue	1 New Air to Air Heat Pump	\$77.01	\$6,250
	PM140019	Mechanical	05/28/2014	229 Tazewell Avenue	New Mechanical for Upstairs	\$81.20	\$7,000
	PE140025	Electrical	05/12/2014	500 Tazewell Avenue	Electrical for Rehab	\$0.00	\$2,000
	PP140027	Plumbing	05/20/2014	525 Tazewell Avenue	New Plumbing for S/F res	\$76.72	\$6,200
	PM140018	Mechanical	05/20/2014	525 Tazewell Avenue	2 New Air to Air Heat Pumps	\$80.08	\$6,800
	PE140026	Electrical	05/20/2014	525 Tazewell Avenue	New 400 Amp Service	\$68.88	\$4,800

06/10/14

# Permit/Construction Fee Report

Map Number	Permit #	Type	Date	Address	Work description	Permit Fee	Value
						\$2,592.69	\$204,575

**Total Permits: 26**

PerDateIssued Range from 05/01/2014 to 05/31/2014



# Town Harbor Town Council Report May, 2014

June 1, 2014

## **Maintenance:**

1. We had ESLM remove all the weeds around the Bath House and Boardwalk.
2. We replaced or repaired all the water lines on C and A-Docks.
3. We relocated the fire and electrical pedestals on the T-Head of C-Dock.
4. We replaced the wheels on the dock carts and retightened all screws.
5. We began to repair the wire way under the west gangway. We will need a crane to lift the G-Cable back into place.
6. We replaced the steering cable in the boat and she is now in operation.
7. We began replacing the water line on CG-Dock as a new leak was discovered.
8. We replaced many light bulbs on the floating docks. We still have a few to go.
9. We changed oil and checked all lubricants in both gators.

## **Upcoming Items that needs to be completed:**

1. Finish painting the fuel tank (In Progress)
2. Repair wire way under West Gangway. (In Progress)
3. Re-tighten all cleats on floating docks (In Progress)
4. Continue re-screwing boardwalk at the inner harbor (In Progress)
5. Replace all broken pile caps
6. Re-nail all rubber bumpers
7. Clean all electrical pedestal bus bars in the inner harbor. (In Progress)
8. Paint the boat ramp parking stripes
9. Begin replacing fuel hoses.

## **Capital Projects and Harbor improvements:**

1. Cape Charles Yacht Center has opened and lots of boats are being lifted.
2. The Waterman's Memorial has not moved forward since last month. The wood for the forms are still lying in the turn.
3. **"NO PARKING" "FIRE LANE" "TOWING ENFORCED"** Signs have been placed at the turn by the Shanty. People have begun blocking the circle and Fire truck access has been limited. We ask that all vehicles be parked where there are parking blocks.
4. Do to the fact that many boaters are just coming in and docking their vessel where they want we have ordered a new welcome sign coming in by water. This is to assist boaters that they need to contact our office before mooring. See Attached.



# Town Harbor Town Council Report May, 2014

## Other Items:

1. Follow us on Face Book (**Cape Charles Town Harbor**) over 1700 likes!!!
2. Current Office Hours – 8 am to 6 pm Monday – Thursday, 8 am – 7 pm Friday, 7 am – 7 pm Saturday, 7 am – 6 pm Sunday.
3. Waiting list – We transferred 1 person to a Slip assignment. Below is the number of people we have left on the waiting list as of May 31<sup>st</sup>.

<b>Length</b>	<b>Annual</b>	<b>Seasonal</b>	<b>Total</b>
<b>20ft</b>	2	4	7
<b>24ft</b>	7	4	11
<b>30ft</b>	9	6	15
<b>36ft</b>	5	2	7
<b>45ft</b>	9	2	11
<b>50ft</b>	1	1	2
<b>60ft</b>	2	0	2
<b>Total</b>	<b>35</b>	<b>19</b>	<b>54</b>

## Important Dates:

1. **June 7<sup>th</sup>** – CBF's 26<sup>th</sup> Annual Clean the Bay Day
2. **June 14<sup>th</sup> – 15<sup>th</sup> 2014** – Annual Tallships at Cape Charles
3. **June 14<sup>th</sup>** – National Marina Day
4. **July 4<sup>th</sup>** – Fireworks and celebration
5. **July 5<sup>th</sup>** – Annual Fire Departments seafood Festival
6. **August 1<sup>st</sup> – 3<sup>rd</sup> 2014** – Clam Slam 2014
7. **October 25<sup>th</sup> 2014** – Haunted Harbor



**Town Harbor  
Town Council Report  
May, 2014**

**Total Nights Docked**

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
July	539.0	900.0	870.0	1090.0	1771.6	1991.9	2535.0	2256.0	2657.5
August	871.0	654.0	471.0	1300.0	1759.0	1757.1	2216.4	2356.2	2331.0
September	539.0	2578.0	2431.0	1123.0	1753.0	1647.9	1845.0	2217.1	1955.0
October	409.0	945.0	767.0	1311.0	1890.1	1752.9	2073.0	2257.5	2230.2
November	508.0	731.0	601.0	887.0	1333.7	1790.2	1808.8	2159.9	2048.0
December	900.0	2513.0	2322.0	1103.0	1587.2	1431.2	1395.9	1783.0	1887.1
January	972.0	1168.0	1021.0	776.0	1195.0	1287.8	1366.7	1436.0	1282.0
February	736.0	387.0	564.0	748.0	1008.0	1130.0	1372.5	1264.0	1238.6
March	5722.0	6278.0	4685.0	2021.0	871.0	1342.1	2662.0	1451.1	1185.9
April	2052.0	2410.0	2832.0	2827.0	3142.8	2645.6	2290.0	3285.0	2471.3
May	671.0	798.0	1364.0	1718.0	2141.1	2089.8	2785.9	2531.1	2861.1
June	3409.0	2960.0	1401.0	2069.0	1610.1	2124.9	2647.0	2985.6	0.0
<b>Total</b>	<b>13,919.0</b>	<b>19,362.0</b>	<b>17,928.0</b>	<b>14,904.0</b>	<b>18,452.5</b>	<b>18,866.5</b>	<b>22,351.2</b>	<b>22,996.9</b>	<b>22,147.7</b>
<b>Avg. in Harbor</b>	<b>41.5</b>	<b>57.8</b>	<b>53.5</b>	<b>44.5</b>	<b>55.1</b>	<b>56.3</b>	<b>66.7</b>	<b>68.6</b>	<b>66.1</b>
<b>% of Capacity</b>	<b>61.10%</b>	<b>85.00%</b>	<b>78.70%</b>	<b>65.43%</b>	<b>81.00%</b>	<b>82.82%</b>	<b>54.24%</b>	<b>55.81%</b>	<b>53.75%</b>

**Note:**

We had 16 hours of hourly docking for May.

From July 1, 2005 – June 30, 2011 Numbers are based on 68 places to berth, we now have 123.

Avg. is number of vessels we averaged on a nightly basis year to date.



**Town Harbor  
Town Council Report  
May, 2014**

**Gallons of fuel Sold**

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
July	6,464.100	12,734.703	12,013.021	7,730.331	10,211.513	11,722.477	26,427.288	30,754.913	30,345.500
August	3,806.300	11,108.235	8,914.005	8,890.595	10,088.031	11,290.827	25,819.462	23,390.141	26,572.231
September	4,516.300	4,530.053	4,349.228	3,225.399	5,573.967	5,290.375	14,779.695	19,911.683	16,722.271
October	212.300	5,624.647	4,173.804	3,529.506	5,232.763	7,454.961	8,180.768	10,930.802	14,913.378
November	630.900	7,363.152	7,225.106	1,822.606	20,000.271	4,299.427	6,496.114	8,975.326	9,902.455
December	23,927.700	24,279.537	22,290.181	5,483.225	8,925.826	6,891.013	8,834.040	11,814.189	13,119.259
January	14,830.000	19,296.883	9,253.928	478.286	2,749.446	4,057.270	2,421.252	5,344.767	3,460.834
February	14,571.025	6,878.796	5,637.253	5,492.921	2,048.767	3,207.629	4,862.586	2,392.290	3,573.099
March	7,859.400	11,745.183	8,421.375	2,192.653	5,202.423	6,013.726	16,657.846	5,954.819	3,458.300
April	13,975.846	18,708.018	17,222.361	20,910.338	19,516.885	21,057.695	11,446.466	21,467.503	10,970.679
May	10,698.173	13,105.475	9,100.716	12,381.295	13,773.825	16,498.664	21,105.820	22,336.015	23,330.306
June	7,168.276	10,939.289	7,168.498	6,394.439	11,735.395	15,678.604	18,830.919	20,089.120	0.000
<b>Total</b>	<b>108,660.320</b>	<b>146,313.971</b>	<b>115,769.476</b>	<b>78,531.594</b>	<b>115,059.112</b>	<b>113,462.668</b>	<b>165,862.256</b>	<b>183,361.568</b>	<b>156,368.312</b>
<b>YTD Total</b>	<b>101,492.044</b>	<b>135,374.682</b>	<b>108,600.978</b>	<b>72,137.155</b>	<b>103,323.717</b>	<b>97,784.064</b>	<b>147,031.337</b>	<b>163,272.448</b>	<b>156,368.312</b>
<b>YTD Month Avg</b>	<b>9,226.549</b>	<b>12,306.789</b>	<b>9,872.816</b>	<b>6,557.923</b>	<b>9,393.065</b>	<b>8,889.460</b>	<b>13,366.485</b>	<b>14,842.950</b>	<b>14,215.301</b>
<b>YTD Daily Avg.</b>	<b>302.961</b>	<b>404.104</b>	<b>324.182</b>	<b>215.335</b>	<b>308.429</b>	<b>291.893</b>	<b>438.900</b>	<b>487.380</b>	<b>466.771</b>

NOTE: July 1, 2005 thru June 30, 2008 includes Crab Dredging.

Wharf Fees in Lbs.



# Town Harbor Town Council Report May, 2014

	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
July	179,426.5	47,206.0	7,769,560.0	21,478.0	143,590.0	94,956.0	179,508.0	266,770.0	217,139.0
August	162,482.0	363,024.0	3,988,148.3	121,800.0	159,935.0	181,640.0	143,970.0	13,808.0	137,467.0
September	42,210.0	67,543.0	133,280.0	170,055.0	133,355.0	166,235.0	124,700.0	155,440.0	96,350.0
October	60,175.0	69,610.0	3,708,765.0	69,935.0	108,596.0	1,160,140.0	3,020.0	93,610.0	584,550.0
November	238,375.0	87,695.0	2,339,445.0	5,200.0	73,455.0	90,710.0	100,744.0	8,685.0	3,569.0
December	933,105.0	588,147.5	8,646,542.5	31,099.0	124,880.0	23,995.0	4,745.0	31,425.0	14,260.0
January	492,087.5	438,502.5	7,591,883.0	13,749.0	104,030.0	15,720.0	0.0	313,730.0	0.0
February	157,557.0	256,042.5	3,978,997.5	247,500.0	0.0	28,000.0	45,522.0	0.0	0.0
March	281,980.5	121,470.0	262,094.0	30,691.3	296,430.0	62,267.5	423,350.0	22,275.0	13,000.0
April	671,460.0	482,142.5	1,005,028.0	764,278.5	869,185.0	758,760.0	147,185.0	367,871.0	151,773.5
May	137,341.3	4,045,130.0	109,336.0	177,528.0	340,480.0	307,810.0	355,825.0	322,534.0	281,082.5
June	103,233.8	108,003.0	89,104.0	79,885.0	143,805.0	267,645.0	94,457.0	30,249.0	0.0
<b>Total</b>	<b>3,459,433.5</b>	<b>6,674,516.0</b>	<b>39,622,183.3</b>	<b>1,733,198.8</b>	<b>2,497,741.0</b>	<b>3,157,878.5</b>	<b>1,623,026.0</b>	<b>1,626,397.0</b>	<b>1,499,191.0</b>
<b>YTD Total</b>	<b>3,356,199.8</b>	<b>6,566,513.0</b>	<b>39,533,079.3</b>	<b>1,653,313.8</b>	<b>2,353,936.0</b>	<b>2,890,233.5</b>	<b>1,528,569.0</b>	<b>1,596,148.0</b>	<b>1,499,191.0</b>
<b>YTD Monthly Avg.</b>	<b>305,109.1</b>	<b>596,955.7</b>	<b>3,593,916.3</b>	<b>150,301.3</b>	<b>213,994.2</b>	<b>262,748.5</b>	<b>138,960.8</b>	<b>145,104.4</b>	<b>136,290.1</b>
<b>YTD Daily Avg.</b>	<b>10,018.5</b>	<b>19,601.5</b>	<b>118,009.2</b>	<b>4,935.3</b>	<b>7,026.7</b>	<b>8,627.6</b>	<b>4,562.9</b>	<b>4,764.6</b>	<b>4,475.2</b>



# **Welcome to Cape Charles Town Harbor**

**For berthing assignments  
contact us on VHF 16 or 06  
or call 757-331-2357.  
After hours - honor system.**

Cape Charles Memorial Library  
Report for May 2014

1. Our attendance for May was 1,062. (last year- 756) May marked our one year anniversary of the move to the new building.
2. Monthly attendance for programs held during May 2014 was 195. See below:

**Children's Programs:**

Wednesday	10:30 Crafts	37 attended
Thursday	3:30 Chess	23 attended
Thursday	10:30 P Storytime	91 attended
Thursday	10:30 T Storytime	22 attended
Monday	4:00 Book Club	6 attended
Tuesday	3:30 Lego Club	16 attended
	Total	195

3. The book displays for this month featured books on Mother's Day and books by authors with birthdays in May.
4. This month in our display case we had historical information about the CCML in honor of our rededication.
5. On Memorial Day, May 26 the Library held a **Rededication Ceremony** following the American Legion Memorial Day Celebration at the Veterans Memorial. It was a wonderful event provided by the Friends of the Library and the Library Board. Special guests included Senator Lynwood Lewis, delegate Robert Bloxom, Supervisor Hogg, Supervisor Hubbard, and Commander Dave Steward. The Cape Charles Bank provided the music.
6. Registration for the **CCML Summer Reading Program, PAWS TO READ** will begin on June 23. By signing up for the reading program children are eligible to earn prizes and free books. We have a full schedule planned including puppets, storytelling, a mime, NASA, the Virginia Living Museum, the National Wildlife Refuge, and E.S. Water & Soil Conservation District.
7. As of today our Facebook page has 372 likes (9 new likes this month) .For additional information about library programs and library related information check out our **Facebook** page!



# CAPE CHARLES POLICE DEPARTMENT

## MONTHLY STATISTICS

May 2014

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

- Calls for service in Cape Charles: 58
- Calls for service outside of Cape Charles: 19
- Felony arrests: 12
- Misdemeanor Arrests: 6
- D.U.I. Arrests: 0
- Traffic Summons: 22
- Traffic Warnings (written& verbal): 20
- Parking tickets: 2
- Building Checks: 36
- Assisted Northampton County Sheriff's Office: 18
- Assisted Virginia State Police: 1
- Assisted Federal Agencies: 0
- Assisted Fire& Rescue: 12
- Foot Patrol Hours: 89.5

The following training took place in May:

- Officer Pfeiffer & Chief Pruitt completed annual firearms training in handgun, shotgun and patrol rifle.
- Officer Pfeiffer & Chief Pruitt attended Department of Juvenile Justice class.
- Officer Jake Leuer has completed his 4<sup>th</sup> week of police academy.

# PUBLIC WORKS

May 2014

## Dump Fees

- Oyster Landfill: 9 Trips, 5.81 Tons @ cost of \$377.98

## Staff Report

- Paul Yates' last day was May 23, we wish him well
- Willie Lyons was out May 5<sup>th</sup> thru May 9<sup>th</sup> due to flu bug

## Routine Monthly Responsibilities

- Water meter reading - Assist the Utilities Department Staff
- Maintenance of town vehicles and equipment.
  - 3 Police cars, 2 tractor repairs, dump truck lubed
- Maintenance, cleaning, and landscaping for outdoor public areas, including public beach, Central Park, Tennis Courts, Fishing Pier, Harbor and downtown commercial district.
  - Central Park BMP pump out
  - Golf Cart path maintenance
- Maintenance, cleaning, and landscaping of all public facilities, including the town hall, library, water and wastewater, public works, and old library.
  - Mason Avenue Memorial was weeded, bricks were power washed and 2 new flower pots installed with red, white & blue flowers.
  - 9 Town properties mowed.
- Maintain streets and alleys in the historic district; including debris pickups/work orders.
- Assistance with preparation for events being held in town.
- Maintenance, weeding and mowing of Town properties outside of Old Town area.

## Completed Projects

- New Beach fiberglass garbage barrel lids painted & installed
- Central Park up-graded Underground Electric installed

## Events

- Election Day (Tuesday 6<sup>th</sup>)
- Crabby Blues event (Saturday 17<sup>th</sup>)
- Library Re-dedication (Friday 13<sup>th</sup>)
- Memorial Day (Monday 26<sup>th</sup>)
- M.S. Bike (Saturday 31<sup>st</sup>)
- Benefit By The Bay (Saturday 31<sup>st</sup>)

## In Progress

- Alley crush and run maintenance on potholes
- Fig street sign lighting
- Construction of a Star-transit shelter at Heritage Acres entrance

### Upcoming Projects

- Safety training
- Re-paint no parking curbs (yellow) Town wide & handicapped areas (blue) on Mason Ave
- Re-paint Municipal building 1<sup>st</sup> floor entrance
- Shop Office space

### Man Hours per Project/Task

Vehicle Maint.	Equipment Maint.	Building Maint.	Public Debris Areas	Street Cleaning	Beach Maint.	Public Sanitation	Public facilities cleaning	Admin. training	Property Maint. & Repair	Events	Meter reads
38.5	32.5	61	80	28.5	88.5	38.5	44	44	55	34	9

# Recreation Department

## June 2014 Council Report

### Projects

1. Will begin designing the panels for the new kiosk that will be at the end of the fishing pier. There will be 6 areas to be designed.
2. The second fundraiser for the Love Installation is underway. Hearts are being sold with a personal message and will be displayed at the future site of the permanent Love Installation.

### Programming and Events

1. Arts and Crafts
  - A. May 14 - Sand Art - 8 children in attendance
  - B. May 21 - Design you own wooden airplane - 9 children in attendance
  - C. May 28 - Scratch off art - 8 children in attendance
  - D. May 21 - monkey door hangers - 3 children in attendance

### New Roots Youth Garden - Get Fit Portion

1. May 15 - Hula Hoop Ball Relay - 18 children in attendance
2. May 22 - Inch Worm Relay - 21 children in attendance
3. May 29 - Noodle Relay - 20 children in attendance

### Adult Book Club

1. June 2 - The first meeting was held with 4 adults in attendance and 1 additional person sending in comments who was unable to attend. The book chosen was The Immortal Life of Henrietta Lacks.

### BINGO

1. June 6 - The first Free Bingo was held with 7 adults and 1 youth in attendance.

### First Tee

1. First tee will run from June 30 - July 3. This camp will be limited to 15 children. So far there have been 5 registrations received.

### July 4

1. The schedule is complete for July 4 and can be located on the Town website. Still looking for vendors and parade participants.

### Summer Programming and Events

1. June 16, July 7 and August 7 - Adult Book Club.
2. June 20, August 1, 15 - Bingo for all citizens
3. June 12, 26, July 10, August 14, 28 - Scrapbooking
4. June 19, 26, July 10, 17, 31, August 7 - Get Fit at NRYG
5. June 23 - Ident-A-Kid
6. June 24, July 29, August 26 Clover Bud 4-H Club
7. June 25, July 9, 16, 30, August 6, 13, 20, 27 - Arts and Crafts
8. June 26, July 31, August 28 - Fun with Science
9. July 12 - Tie Dye a t-shirt at the Summer of Love in Central Park

 <p><b>TOWN OF CAPE CHARLES</b></p>	<b>AGENDA TITLE:</b> Eastern Shore of Virginia Public Service Authority – Appointment to PSA Subcommittee		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Appointment of second Cape Charles Representative to the PSA Subcommittee		<b>ITEM NUMBER:</b> 7A
	<b>ATTACHMENTS:</b> Letter from Northampton County Board of Supervisors		<b>FOR COUNCIL:</b> Action ( X ) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

In March 2014, a letter was received from the Northampton County Board of Supervisors informing the Town of the formation of an Eastern Shore of Virginia Public Authority (PSA) subcommittee to work with the Town relative to provision of wastewater service to the PSA. The subcommittee would be comprised of two members of the Board of Supervisors (Mr. Hogg and Mr. Hubbard), two members of the PSA (Mr. Panek and Mr. Ingram), and two members from the Cape Charles Town Council. It was the consensus of the Board to delay meetings of the subcommittee until after the Town elections were held.

This request was discussed at the May 22, 2014 Council meeting and Councilwoman Joan Natali was appointed as one of the Cape Charles representatives.

Councilman Wendell had also expressed an interest in serving on the subcommittee, but Council was concerned regarding a possible conflict of interest since Councilman Wendell owned property within the proposed regional wastewater service area. Council requested Councilman Wendell to obtain an opinion from the Commonwealth Attorney and tabled the appointment of the second Cape Charles representative until the June meeting.

A letter was sent to the Board of Supervisors notifying them of Councilwoman Natali's appointment and informed them that the second representative would be appointed at the June meeting.

**DISCUSSION:**

Continue discussion regarding the appointment of the second Cape Charles representative to the PSA Subcommittee.

Staff has requested a copy of the opinion letter from Commonwealth Attorney Bruce Jones upon receipt by Councilman Wendell.

Councilman-elect Brown has also expressed an interest in serving on the PSA Subcommittee.

**RECOMMENDATION:**

Staff requests discussion regarding the request from the Northampton County Board of Supervisors and the appointment of a second Cape Charles representative to serve on the PSA Subcommittee.



Board of Supervisors of Northampton County  
P.O. Box 66 • Eastville, Virginia 23347

BOARD OF SUPERVISORS  
*Larry LeMond, Chairman*  
*Richard L. Hubbard, Vice Chairman*  
*Oliver H. Bennett*  
*Granville F. Hogg, Jr.*  
*Laurence J. Trala*

*Katherine H. Nunez*  
County Administrator

PHONE: 757-678-0440  
FAX: 757-678-0483

March 25, 2014

Ms. Heather Arcos, Town Manager  
Town of Cape Charles  
2 Plum Street  
Cape Charles, VA 23310

Dear Heather:

At its meeting of March 24, 2014, the Northampton County Board of Supervisors and the Eastern Shore of Virginia Public Service Authority jointly agreed to form a subcommittee to work with the Town of Cape Charles relative to provision of wastewater service to the PSA. The composition of the subcommittee will include two members of the Board (Mr. Hogg and Mr. Hubbard), two members of the PSA (Mr. Panek and Mr. Ingram), and two members from the Town of Cape Charles. It was the consensus of the Board to delay meetings of the subcommittee until after the Town Elections are held in May 2014. I await notification as to the appointment of the Town's two representatives after that time.

With best regards, I remain

Sincerely yours,

KATHERINE H. NUNEZ  
County Administrator

 <p><b>TOWN OF CAPE CHARLES</b></p>	<b>AGENDA TITLE:</b> Fiscal Year 2014/2015 Proposed Budget & Appropriation		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Approve the Proposed FY 2014/2015 Budget & Appropriate Funds		<b>ITEM NUMBER:</b> 7B
	<b>ATTACHMENTS:</b> Resolution 20140619 – Approving the Budget for Fiscal Year 2014/2015 and Making Appropriations for the Fiscal Year, Revenue & Expense Summary by Fund Report, Summary of Capital Projects by Fund Report		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

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

**DISCUSSION:**

Pursuant to Section 15.2-2503 of the Code of Virginia, the Town Council and Staff have held numerous work sessions since March to prepare the budget for Fiscal Year (FY) 2014/2015. As a result of the work sessions, the attached resolution includes the summary of estimated revenues and expenditures by fund for the proposed budget.

The Public Hearing on the proposed FY 2014/2015 budget was held on June 12, 2014 pursuant to Section 15.2-2506 of the Code of Virginia.

**RECOMMENDATION:**

Staff recommends adoption of Resolution 20140619 – Approving the Budget for Fiscal Year 2014/2015 and Making Appropriation for the Fiscal Year by roll call vote.

## RESOLUTION 20140619

### APPROVING THE BUDGET FOR FISCAL YEAR (FY) 2014/2015 AND MAKING APPROPRIATIONS FOR THE FISCAL YEAR

**WHEREAS**, the Council of the Town of Cape Charles has prepared a budget for FY 2014/2015 pursuant to Section 15.2-2503 of the Code of Virginia; and

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

**THEREFORE BE IT RESOLVED**, by the Town Council of Cape Charles, this 19<sup>th</sup> day of June 2014 that the budget for FY 2014/2015 be approved as follows:

REVENUES	2014-2015	EXPENDITURES	2014-2015
<b>General Fund</b>		<b>General Fund</b>	
Real Estate Tax	1,073,856	Legislative	18,467
Personal Property Tax	90,000	Town Clerk	124,068
Prior Year Tax Collections	85,000	Town Manager	326,192
Motor Vehicle License Tax	18,000	Finance	205,810
Machinery & Tools Tax	30,500	Police	335,472
BPOL Tax	90,000	Code Enforcement	78,706
Admissions, Rentals, Transient Occ. Taxes	96,700	Public Works	423,096
Meals Tax	235,000	Parks & Recreation	58,802
Other Taxes	143,500	Library	118,432
Building Permits & Code Enforcement	78,800	Town Planner	66,601
Recovered Costs & Miscellaneous Income	154,535	Fire Department – State Pass Thru	9,800
Library Revenues	930	Debt Service	140,581
Financing Proceeds	314,000	Capital	1,681,538
Grants and Local/State/Federal Aid	1,296,894	Contingency Fund-General	120,150
<b>Total General Fund</b>	<b>3,707,715</b>	<b>Total General Fund</b>	<b>3,707,715</b>
<b>Sanitation Fund</b>	<b>171,800</b>	<b>Sanitation Fund</b>	<b>171,800</b>
<b>Harbor Fund</b>		<b>Harbor Fund</b>	
Operating Revenue	1,089,287	Operating	1,042,615
Harbor Event Proceeds	63,600	Debt Service	115,372
Grant Revenue	5,100	Capital	0
<b>Total Harbor Fund</b>	<b>1,157,987</b>	<b>Total Harbor Fund</b>	<b>1,157,987</b>
<b>Water/Wastewater Fund</b>		<b>Water/Wastewater Fund</b>	
Operating Revenue	1,381,521	Water Operations	325,149
Penalties and Late Fees	28,000	Wastewater Operations	509,680
Connection Charges	3,500	Meter & Utility Billing, Administration	118,737
Grant Revenue	0	Debt Service	433,855
Facility Fees	45,900	Capital	215,600
Financing Proceeds	190,000	Facility Fees moved to Reserve	45,900
<b>Total Water/Wastewater Fund</b>	<b>1,648,921</b>	<b>Total Water/Wastewater Fund</b>	<b>1,648,921</b>
<b>TOTAL REVENUES ALL FUNDS</b>	<b>6,686,423</b>	<b>TOTAL EXPENDITURES ALL FUNDS</b>	<b>6,686,423</b>

The following tax rates and user fees are established:

- Vehicle Tax \$31.00 per vehicle subject to Virginia State Registration (Trailers \$18.00) and Golf Cart Decal is \$31.00.
- Real Estate \$ .2759 per \$100; Personal Property Tax \$2.00 per \$100; Boat Tax \$0.01 per \$100
- Transient Occupancy Tax: 3% Monthly July 1, 2014-December 31, 2014 and 3.7% Monthly January 1, 2015-June 30, 2015; Meals Tax: 5% Monthly; Admissions Tax: 3% Quarterly; Short Term Rental Tax: 1% Quarterly
- Water Rate –Residential 0-2,000 gal.: \$31.15 minimum; 2,001 to 5,000 gal.: \$2.63 per 1,000; 5,001 to 10,000 gal: \$3.75 per 1,000; 10,001 to 15,000 gal: \$5.00 per 1,000; over 15,000 gal: \$7.50 per 1,000; Commercial 0-2,000 gal: \$31.15 minimum; 2,001-10,000 gal: \$2.50 per 1,000; 10,001-15,000 gal: \$3.75 per 1,000; over 15,000 gal: \$5.00 per 1,000
- Wastewater Rate –Residential 0-2,000 gal.: \$63.27 minimum; 2,001 to 5,000 gal.: \$4.11 per 1,000; 5,001 to 10,000 gal: \$5.85 per 1,000; 10,001 to 15,000 gal: \$7.80 per 1,000; over 15,000 gal: \$11.70 per 1,000; Commercial 0-2000 gal: \$63.27 minimum; 2,001-10,000 gal: \$3.90 per 1,000; 10,001-15,000 gal: \$5.85 per 1,000; over 15,000 gal: \$7.80 per 1,000
- Trash Collection Fee: \$13.50 per month; and

**BE IT FURTHER RESOLVED**, that pursuant to Section 15.2-2506 of the Code of Virginia, funds are appropriated from all sources of revenue for expenditures during the period July 1, 2014 through June 30, 2015 as follows:

General Fund - \$3,707,715  
 Sanitation Fund - \$171,800  
 Harbor Fund - \$1,157,987  
 Water/Wastewater Fund - \$1,648,921;

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

\*\*\*\*\*

Adopted by the Town Council of Cape Charles on June 19, 2014.

By: \_\_\_\_\_  
 Mayor

ATTEST:

\_\_\_\_\_  
 Town Clerk

<b>MUNICIPAL CORP OF CAPE CHARLES</b>						
<b>REVENUE &amp; EXPENSE SUMMARY BY FUND</b>						
<b>FISCAL YEAR 2014 &amp; 2015</b>						
<b>as of June 12, 2014</b>						
	<b>FY 2015</b>			<b>FY 2014</b>		
	<b>OPERATING EXP/REV</b>	<b>CAPITAL PROJECTS</b>	<b>TOTAL BUDGET</b>	<b>OPERATING EXP/REV</b>	<b>CAPITAL PROJECTS</b>	<b>TOTAL BUDGET</b>
<b>GENERAL FUND</b>						
<b>REVENUES</b>	2,114,515	1,593,200	3,707,715	2,068,883	888,300	2,957,183
<b>EXPENSES</b>						
Legislative	18,467	18,925	37,392	19,897	0	19,897
Town Clerk	124,068	8,200	132,268	119,563	0	119,563
Town Manager	596,723	11,213	607,936	405,417	0	405,417
Finance	205,809	0	205,809	195,971	0	195,971
Police	335,472	23,200	358,672	367,645	0	367,645
Code Enforcement	78,706	0	78,706	77,955	0	77,955
Public Works	423,096	1,620,000	2,043,096	406,620	1,110,000	1,516,620
Parks & Recreation	58,802	0	58,802	60,611	0	60,611
Library	118,432	0	118,432	126,597	0	126,597
Planner	66,601	0	66,601	66,906	0	66,906
	<b>2,026,177</b>	<b>1,681,538</b>	<b>3,707,715</b>	<b>1,847,183</b>	<b>1,110,000</b>	<b>2,957,183</b>
<b>PUBLIC UTILITIES</b>						
<b>REVENUES</b>	1,458,921	190,000	1,648,921	1,436,082	60,000	1,496,082
<b>EXPENSES</b>						
Water	393,087	77,500	470,587	403,327	105,000	508,327
Wastewater	875,596	138,100	1,013,696	760,260	30,000	790,260
* Facility Fees to Reserve	45,900	0	45,900	74,200	0	74,200
Meter & Billing	45,579	0	45,579	48,469	0	48,469
Administration	73,159	0	73,159	74,826	0	74,826
	<b>1,433,321</b>	<b>215,600</b>	<b>1,648,921</b>	<b>1,361,082</b>	<b>135,000</b>	<b>1,496,082</b>
<b>HARBOR</b>						
<b>REVENUES</b>	1,157,987	0	1,157,987	1,481,769	1,085,100	2,566,869
<b>EXPENSES</b>	1,157,987	0	1,157,987	1,454,869	1,112,000	2,566,869
<b>SANITATION</b>						
<b>REVENUES</b>	171,800	0	171,800	160,452	0	160,452
<b>EXPENSES</b>	171,800	0	171,800	160,452	0	160,452
<b>TOTAL REVENUE</b>	<b>4,903,223</b>	<b>1,783,200</b>	<b>6,686,423</b>	<b>5,147,186</b>	<b>2,033,400</b>	<b>7,180,586</b>
<b>TOTAL BUDGET</b>	<b>4,789,285</b>	<b>1,897,138</b>	<b>6,686,423</b>	<b>4,823,586</b>	<b>2,357,000</b>	<b>7,180,586</b>

MUNICIPAL CORPORATION OF CAPE CHARLES				6/5/2014
Summary of Capital Projects by Fund				
Proposed Fiscal Year 2015				
	BUDGET	GRANT PROCEEDS	TOWN EXPENSE	PNC 2013 FINANCE
<b>GENERAL FUND</b>				
<b>PUBLIC WORKS</b>				
Cape Charles Multi-Use Trail Phase 2 (80/20 VDOT)	1,570,000	1,256,000	0	314,000
Dump Truck	30,000	0	30,000	0
Parking Design and Plans (Town Owned Lots)	10,000	0	10,000	0
HVAC 2nd Floor Library	10,000	0	10,000	0
Furniture Civic Center (Meeting Space)	18,925	0	18,925	0
New Phone System	11,213	0	11,213	0
Police Cruiser	23,200	8,100	15,100	0
Shore Scan	8,200	0	8,200	0
<b>TOTAL</b>	<b><u>1,681,538</u></b>	<b><u>1,264,100</u></b>	<b><u>103,438</u></b>	<b><u>314,000</u></b>
<b>WATER/WASTEWATER FUND</b>				
<b>WATERWORKS</b>				
Keck Wells Engineering and Construction	60,000	0	0	60,000
Truck (50%)	7,500	0	7,800	0
Automatic Flush (1 out of 5)	10,000	0	10,000	0
<b>WASTEWATER</b>				
Truck (50%)	8,100	0	7,800	0
Engineering for Pump Stations (Plum St)	30,000	0	0	30,000
Manholes	100,000	0	0	100,000
<b>TOTAL</b>	<b><u>215,600</u></b>	<b><u>0</u></b>	<b><u>25,600</u></b>	<b><u>190,000</u></b>
<b>HARBOR FUND</b>				
	0	0	0	0
	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>TOTAL CAPITAL PROJECTS FY 2014</b>	<b><u>1,897,138</u></b>	<b><u>1,264,100</u></b>	<b><u>129,038</u></b>	<b><u>504,000</u></b>

  <b>TOWN OF CAPE CHARLES</b>	<b>AGENDA TITLE:</b> USDA Rural Development Grant-Loan Resolution for Police Car		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Adoption of Resolution 20140619 to accept the terms of the USDA RD Grant-Loan for a new police car.		<b>ITEM NUMBER:</b> 7C
	<b>ATTACHMENTS:</b> Resolution 20140619A and Information from USDA RD		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

### **BACKGROUND:**

At the September 19, 2013 meeting, the Town Council authorized the application requesting grant funding and loan to the US Department of Agriculture – Rural Development (USDA RD) to purchase a new police vehicle.

At the May 22, 2014 meeting, staff informed Council that the Town had been awarded a grant in the amount of \$8,100 and loan approval for \$15,100 for the purchase of a new 2014 Dodge Charger to replace the 2010 Charger. The police vehicles are on a 5-year rotation schedule for replacement. The total cost of the 2014 Dodge Charger, including equipment, is \$25,857 which is the state contract price. The total of the grant and loan proceeds amount to \$23,200 and the difference of \$2,657 is included in the FY 2014-2015 Police Dept. budget.

### **DISCUSSION:**

The USDA RD's current interest rate is 4.125% for 5 years with an annual payment of \$3,404. The first annual payment will be due in FY 2015-2016. There is no prepayment penalty under the guidelines for this loan. With the 4.125% rate, the amount of interest being paid by the Town, if financed for the full 5 years, is \$1,920.

Resolution 20140619A is required to be adopted by the Town Council stating its agreement to abide by the covenants and to execute the forms required by the USDA RD. The loan resolution is a part of Resolution 20140619A.

### **RECOMMENDATION:**

Staff requests adoption of Resolution 20140619A by roll call vote to authorize the Town Manager to execute all applicable forms required by the US Department of Agriculture – Rural Development.

**RESOLUTION 20140619A  
OF GOVERNING BODY OF  
THE TOWN OF CAPE CHARLES**

The governing body of the Town of Cape Charles, consisting of seven members, in a duly called meeting held on the 19<sup>th</sup> day of June, 2014 at which a quorum was present RESOLVED as follows:

**BE IT HEREBY RESOLVED** that, in order to facilitate obtaining financial assistance from the United States of America, United States Department of Agriculture, Rural Development (the Government) in the purchase of a police vehicle and equipment to serve the community, the governing body does hereby adopt and abide by the covenants contained in the agreements, documents, and forms required by the Government to be executed.

**BE IT FURTHER RESOLVED** that the Town Manager of the Town of Cape Charles be authorized to execute on behalf of the Town Council the above-referenced agreements and to execute such other documents including, but not limited to, debt instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-referenced documents, is hereby entered into the permanent minutes of the meetings of this Board.

The Town of Cape Charles

By: \_\_\_\_\_

Attest: \_\_\_\_\_

**CERTIFICATION**

I hereby certify that the above resolution was duly adopted by the Town Council of the Town of Cape Charles in a duly assembled meeting on the 19<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Secretary/Clerk

USDA  
Form RD 1942-47  
(Rev. 12-97)

LOAN RESOLUTION  
(Public Bodies)

FORM APPROVED  
OMB NO. 0575-0015

A RESOLUTION OF THE Town Council

OF THE Town of Cape Charles

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING  
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

Police Vehicle & Equipment

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Town of Cape Charles  
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of  
\$15,100.00

pursuant to the provisions of Virginia Code 15.2; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.



**CERTIFICATION TO BE EXECUTED AT LOAN CLOSING**

I, the undersigned, as Town Clerk of the Town of Cape Charles  
 hereby certify that the Town Council of such Association is composed of  
6 members, of whom \_\_\_\_\_, constituting a quorum, were present at a meeting thereof duly called and  
 held on the 19th day of June, 2014; and that the foregoing resolution was adopted at such meeting  
 by the vote shown above. I further certify that as of \_\_\_\_\_, the date of closing of the loan from the Government, said resolution  
 remains in effect and has not been rescinded or amended in any way.

Dated, this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
 Title Town Clerk

 <p><b>TOWN OF CAPE CHARLES</b></p>	<b>AGENDA TITLE:</b> Charon Ventures Request		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Charon Ventures Extension Request		<b>ITEM NUMBER:</b> 8A
	<b>ATTACHMENTS:</b>		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

At a special meeting on April 25, 2013, the Town Council approved the second extension request for commencement of the project. An extension was granted for 120 days beginning on April 25, 2013. The Historic District Review Board application was submitted on May 1, 2013 and reviewed by the Historic Review Board on June 18, 2013 with the final approval granted on August 20, 2013.

Over the next 5 months, the Virginia Supreme Court heard the appeals on the sale of the former school and denied the appeal on January 21, 2014.

The owner submitted construction plans for review to the Code Official and Zoning Administrator on December 5, 2013. The plans were approved on March 11, 2014. The plans were submitted to VDOT for review following the approval. Comments were received from VDOT on April 14, 2014 and a revised plan has been sent to VDOT for a final review and approval. Once approved from VDOT; and is waiting on a final Environmental Study.

The Interior Demolition & Structural Stabilization Permit was issued May 20, 2014 with anticipation of starting demo by the 15<sup>th</sup> of June. The most recent update is anytime between now and the end of June.

The Northampton County Tax Assessment Rehabilitation Application was approved on May 28, 2014.

**DISCUSSION:**

At the time of commencement upon approval by the Historic Review Board on August 20, 2013, the project allowed for 12 months for completion. Charon Ventures, LLC is requesting an extension for the Cape Charles School Project until December 31, 2015.

Mr. McCormack is estimating that the construction would last through July 1, 2015 with an additional month for punch list items and final clearing. An extension until December 15<sup>th</sup> is being requested to cover any unforeseen delays in the construction schedule.

**RECOMMENDATION:**

Staff recommends Council discuss and make a decision to grant an extension for completion of the Cape Charles Lofts project until December 31, 2015, and or a reasonable time frame.

  <b>TOWN OF CAPE CHARLES</b>	<b>AGENDA TITLE:</b> W. M. Schlosser Contract		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Close out of WWTP construction contract.		<b>ITEM NUMBER:</b> 8B
	<b>ATTACHMENTS:</b> Settlement Agreement		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Bob Panek	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

The Town awarded a \$14.7M contract for construction of the new WWTP to W.M. Schlosser Company (WMS) in September 2009. Six change orders have been executed, bringing the contract price to \$15.3M. The last change order, dated February 22, 2013, resolved numerous disputed items, and revised the Substantial Completion date to October 11, 2012 and the Final Payment date to March 22, 2013.

There were five items of work remaining after the last change order that needed to be completed before the final payment date of March 22, 2013. We retained \$144,500 of the contract price to ensure completion. The work was not completed until June 19, 2013, about three months late. Therefore, the final payment was reduced to \$57,750 after deduction of Liquidated Damages and additional Engineering Charges. WMS disputed this action. During this time frame, WMS was slowly working to correct several warranty issues that had been identified.

The Town agreed to attempt to resolve the dispute through mediation to avoid the cost of a lengthy arbitration or other legal proceedings.

**DISCUSSION:**

The mediation session was held January 31, 2014. The parties made progress but could not reach a resolution, as several warranty items had not yet been corrected. These items were valued at up to \$72K. The parties agreed to suspend discussions until the warranty work was completed.

WMS has resolved the warranty items and we have reached a proposed settlement that provides a revised final payment of \$114,500, instead of \$57,750. The settlement agreement is attached.

With this final payment to WMS the project will be completed about \$350K under budget.

**RECOMMENDATION:**

Staff recommends Council review the proposed settlement agreement and, if acceptable, authorize the Town Manager to execute it.

**SETTLEMENT AGREEMENT  
AND  
RELEASE OF CLAIMS**

This Settlement Agreement and Release of Claims (the “Agreement”) is entered into and effective as of the Effective Date defined below, by and between W.M. Schlosser, Inc. (“WMS”) and the Town of Cape Charles, Virginia (the “Town”).

WHEREAS, the parties entered into Contract 2009-09-01 (including any amendments and supplements, collectively the “Contract”), for certain work in connection with the Cape Charles Wastewater Treatment Plant, Nutrient Removal Upgrade (the “Project”);

WHEREAS, disputes arose between the parties concerning the amounts owed under the Contract;

WHEREAS, WMS initiated a mediation with the American Arbitration Association (AAA), file number 16 442 613 13 (the “Mediation”);

WHEREAS, the parties participated in the Mediation on January 31, 2014; and

WHEREAS, the parties seek to resolve their differences as follows;

NOW THEREFORE, in consideration of these promises and for other good and valuable consideration, the sufficiency of which is by all parties hereby acknowledged, the parties, with the intent to be legally bound, agree as follows:

1. The Town shall pay One Hundred and Fourteen Thousand Five Hundred Dollars (\$114,500.00) to WMS within ten (10) business days after the Effective Date.

2. Except as provided in paragraph 3 below, each of the parties to this Agreement, for themselves and their respective officers, directors, shareholders, parents, subsidiaries, divisions, affiliates, partners, limited partners, council, council members, representatives, agents, employees, insurers, sureties, attorneys, predecessors, successors and assigns (collectively the “Releasers”) does hereby remise, release and forever discharge each of the other parties to this Agreement and each of their respective officers, directors, shareholders, parents, subsidiaries,

divisions, affiliates, partners, limited partners, council, council members, representatives, agents, employees, insurers, sureties, attorneys, predecessors, successors and assigns (collectively the "Releasees"), of and from all and any manner of action or actions, cause or causes of action, suits, debts, sums of money, accounts, covenants, contracts, controversies, damages, penalties, judgments, executions, claims, cross-claims, counterclaims, and demands whatsoever (including without limitation subrogation), at law or equity or otherwise, which any of the Releasers have had, now have or hereafter can, will or may have, from the beginning of the world to the Effective Date, against any of the Releasees and arising from or relating to the Contract, the Project, or the claims that were asserted or which could have been asserted in the disputes described above in the recitals.

3. Nothing in this Agreement releases or is intended to release WMS or its Releasees from their obligations or liability, if any, for claims arising from or related to (i) latent construction defects; (ii) compliance or failure to comply with federal, state and local laws and regulations; (iii) environmental matters, and/or (iv) indemnity or contribution relating to claims by third parties for personal injury, wrongful death, or property damage. The Town represents that it is not aware of any such claims as of the date it executes this Agreement.

4. The agreements made hereunder do not constitute an admission of fault or liability by any party and merely are made in the interest of avoiding litigation and buying peace.

5. Each party agrees that all dispute resolution procedures in the Contract have either been complied with or waived prior to the parties entering into this Agreement.

6. The parties represent that they have entered into this Agreement knowingly and voluntarily after consultation with, or the opportunity to consult with, legal counsel of their

choice. The parties further agree that each party has participated in the drafting of this Agreement, such that any ambiguity in this Agreement shall not be construed against any party to this Agreement as the drafter thereof.

7. This Agreement represents the entire, integrated agreement of the parties relating to the matters herein and supersedes all prior negotiations, understandings or agreements between them on such matters.

8. This Agreement shall be governed by the law of the Commonwealth of Virginia without regard to its choice of law rules.

9. This Agreement may be executed in counterparts. This Agreement shall be effective as of the date (the "Effective Date") on which the second party to sign this Agreement signs and delivers this Agreement to the other party.

The Town of Cape Charles

By: \_\_\_\_\_  
Heather Arcos  
Town Manager

\_\_\_\_\_  
Date

W.M. Schlosser, Inc.

By: \_\_\_\_\_  
Andrew Schlosser  
President

\_\_\_\_\_  
Date

  <b>TOWN OF CAPE CHARLES</b>	<b>AGENDA TITLE:</b> Town Council Meeting Location		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Adopt Resolution moving the location of future Town Council meetings		<b>ITEM NUMBER:</b> 8C
	<b>ATTACHMENTS:</b> Resolution 20140619B – Moving the Location of Cape Charles Town Council Regular Meetings		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

The Cape Charles Town Council regular meetings have been held in the Saint Charles Parish Hall since April 2008 due to the conversion of the former Council Chambers located at 2 Plum Street into office space.

**DISCUSSION:**

With the relocation of the Cape Charles Memorial Library into the former Bank of America Building at 201 Mason Avenue, the former location at 500 Tazewell Avenue is now available for Town use. The building has been upgraded for ADA access and a new restroom has been installed in preparation for use of the facility for meetings and recreational activities. The construction is moving along and is expected to be completed by the end of June.

In April 2014, the Town Council renamed the building the Cape Charles Civic Center.

Pursuant to Code of Virginia § 15.2-1416, the Town Council must adopt a resolution in order to change the location of the regular meetings.

**RECOMMENDATION:**

Staff recommends adoption of Resolution 20140619B – Moving the Location of Cape Charles Town Council Regular Meetings by roll call vote.

**RESOLUTION 20140619B**

**MOVING THE LOCATION OF CAPE CHARLES  
TOWN COUNCIL REGULAR MEETINGS**

**WHEREAS**, the Cape Charles Town Council Regular Meetings are currently held on the third Thursdays of each month at Saint Charles Parish Hall; and

**WHEREAS**, with the relocation of the Cape Charles Memorial Library to its current location at 201 Mason Avenue, the former location at 500 Tazewell Avenue has been upgraded for ADA access and is available for Town use; and

**WHEREAS**, in April 2014, the Town Council approved renaming the building the Cape Charles Civic Center; now

**THEREFORE BE IT RESOLVED** by the Town Council of the Town of Cape Charles, Virginia, as required by § 15.2-1416 of the Code of Virginia, that effective July 2014, the Cape Charles Town Council Regular Meetings will be held at the Cape Charles Civic Center located at 500 Tazewell Avenue.

\*\*\*\*\*

Adopted by the Town Council of Cape Charles on June 19, 2014.

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

 <p><b>TOWN OF CAPE CHARLES</b></p>	<b>AGENDA TITLE:</b> Town Council Representative to Library Board		<b>AGENDA DATE:</b> June 19, 2014
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Appointment of Town Council Representative to the Library Board		<b>ITEM NUMBER:</b> 8D
	<b>ATTACHMENTS:</b> None		<b>FOR COUNCIL:</b> Action ( X ) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos, Town Manager	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

Town Council representatives serve on a number of the Town's Boards and the Planning Commission. Vice Mayor Chris Bannon has served as the Town Council representative to the Library Board for 14 years, but has announced his resignation from the Board effective June 30, 2014.

**DISCUSSION:**

The Library Board oversees the Cape Charles Memorial Library and consists of seven members, including the Town Council representative, and meets on a monthly basis. The members serve four-year terms.

**RECOMMENDATION:**

Staff requests discussion and the appointment of a representative from Council to serve on the Library Board.