



**TOWN COUNCIL
Regular Meeting
St. Charles Parish Hall
February 21, 2013
6:00 p.m.**

At 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 Godwin, and Sullivan, and Councilwoman Natali. Councilmen Bennett and Wendell were not in attendance. Councilman Bennett submitted his comments regarding the agenda items prior to the meeting. Also in attendance were Town Manager Heather Arcos, Assistant Town Manager Bob Panek, Town Planner Tom Bonadeo and Town Clerk Libby Hume as well as the Department Heads and approximately 25 members of the public.

Mr. George Ferguson gave the invocation which was followed by the recitation of the Pledge of Allegiance.

CONSENT AGENDA:

Mayor Sullivan stated that she would like to move the Public Comment Period to the beginning of the meeting so any individuals wishing to speak regarding the Hotel Cape Charles could do so prior to the appeal hearing. Also, Item #7H – Cape Charles Community Band would be added under New Business.

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

PUBLIC COMMENTS:

Lenora Mitchell, 309 Tazewell Avenue

Ms. Mitchell addressed the Council stating that she had two questions regarding the letter from the Department of Historic Resources. Ms. Mitchell asked what was sold to Charon Ventures since the sales and purchase contract for the school was with Echelon Resources and what was the amendment to 15F of the sales and purchase contract and why was it amended to the effective date of the original contract.

Mayor Sullivan informed Ms. Mitchell that an update regarding the old school project was on the agenda and her questions would be addressed at that time.

Ms. Mitchell went on to the talk about the court proceedings on January 25th and wondered why it had come to this. Ms. Mitchell continued to state that over the last several months much had been said and done and her disdain and resentment of the Council and decision-making staff had grown. Ms. Mitchell stated that each time she prayed, she asked for forgiveness for her trespasses but knew that she would not be forgiven if she could not forgive. Ms. Mitchell added that she forgave the Council from her heart and concluded by quoting Philippians 4:8.

Deborah Bender, 300 Fulcher Street

Ms. Bender gave a timeline of Bob Panek's career with the Town beginning as a consultant under Town Manager Tim Krawczel. Mr. Panek was named the interim Town Manager upon Mr. Krawczel's departure until Mr. Joe Vaccaro was named as the new Town Manager. Around that time, the position of Assistant Town Manager was created. Mr. Panek became the consultant. Upon Mr. Vaccaro's departure, the Assistant Town Manager was named the Town Manager. In September 2011, Mr. Panek became the Assistant Town Manager. Ms. Bender accused Mr. Panek of being

behind the giveaway of the 100-year old school. Ms. Bender went on to talk about the new wastewater treatment plan, stating that it was in the worst possible location and added that Mr. Panek was now going after the Town of Cheriton regarding treatment of their wastewater. Ms. Bender stated that inclusion of Cheriton and the highway would destroy Cape Charles. CVS or Rite Aid pharmacy would come and put Rayfield's out of business. A strip mall would come and destroy all the little shops in town. A hotel would kill the Bed & Breakfasts and soon Cape Charles would become a ghost town. Ms. Bender added that greed had killed the town before and greed would kill the town again. Ms. Bender concluded by stating that Mr. Panek, as president of the Citizens for Central Park, had refused to provide access to their financial records and wondered why.

Some of the members of the audience applauded. Mayor Sullivan reminded the attendees that the adopted citizen participation guidelines did not permit applause during the meeting. Mr. Don Bender continued making disruptive gestures and Mayor Sullivan asked him to stop.

Bill Prickett, 210 Tazewell Avenue

Mr. Prickett addressed Council stating that he had three items and continued as follows: i) The Hotel Cape Charles. Mr. Prickett stated that he thought there was a universal agreement that the hotel was a tremendous asset to the Town and that the hotel did not quite follow the rules in terms of their permit regarding the balconies. Mr. Prickett added that he thought the majority of people did not find the look of the hotel offensive but found it quite attractive. Mr. Prickett stated that he hoped Council would be able to craft a way to let the hotel continue to operate and to also prevent this type of situation from happening again; ii) The Library. Mr. Prickett stated that he was glad to see that it would be opening soon in the new building and added that he supported the recommendation to convert the old library into an annex which could be used as a center for community activities; and iii) Mr. Prickett stated that third item, the community band, was near and dear to his heart. Mr. Prickett continued to state that before he moved to Town, he had the idea of having a community band in Central Park thinking it would be a great addition to the landscape of the Town. The first rehearsal was scheduled for March 3rd at the Arts Enter. Mr. Prickett stated that he had a lot of support from people who wanted to play in the band and people who wanted to see this come to fruition and added that he hoped the Council would think favorably of his request for a small amount of money to help obtain a grant from the Virginia Commission for the Arts to purchase some band equipment, music and other items which were needed to get things going. Mr. Prickett also stated that he hoped Council would support them in finding a way to allow them the ability to take advantage of the State of Virginia surplus equipment.

At this point, Mayor Sullivan warned Mr. Bender that if he continued to make faces and stick his tongue out at her she would have him removed from the meeting. Mr. Bender proceeded to stick his tongue out again at the Mayor who ruled him out of order by gavel and had him escorted out of the meeting by Police Chief Brown.

Ned Brinkley, 124 Peach Street

Mr. Brinkley stated that he did not intend to speak but saw that almost nobody signed up to speak so felt that someone needed to say something nice about the hotel. It turned out that somebody already had and his comments were essentially the same. Mr. Brinkley continued to state that he was the general manager of the hotel and added that it was a real gold nugget. There was a hitch in terms of permitting the first year and he hoped that tonight, an agreement could be made on how the Town and hotel could move forward adding that there was a lot of good will toward the hotel in the community. Mr. Brinkley went on to state that he had lived in the Town for 16 years and was a former inn keeper and explained the differences in running his Bed & Breakfast which had a set of stairs in front, without a ramp or rooms on the ground floor to accommodate older guests or those with mobility impairments. B&Bs generally did not take children because they were more for adult getaways. The hotel had four rooms downstairs and a lot of great people, including those in wheelchairs, have stayed at the hotel. The hotel could also accommodate children and dogs, which helps with a positive economic impact to the Town. The sound of kids running around Town, on the beach and in the ice cream shop were nearly as good as when the Cape Charles Christian School

opened. Mr. Brinkley added that he was here when there wasn't a school and it was a big difference and felt more like a community. Mr. Brinkley stated that he was really proud to be part of the rejuvenation of the Town and was hopeful that this impasse could be resolved and everyone could have a great year. Mr. Brinkley concluded by thanking Council for their time.

Larry Veber, 507 Tazewell Avenue

Mr. Veber began by stating that he knew most of the people sitting at the table and behind him and that he wanted to take a different approach to what he had heard for many months. Mr. Veber stated that he wanted to talk about the three lawsuits and what had been happening to this town. Mr. Veber complimented the Mayor and Council for taking the high road and added that he thought they had done what they had to do and what they were elected to do. Mr. Veber commented on the incident that happened earlier this evening and the disrespect of the people that were part of the lawsuits. Mr. Veber expressed his concern about the money being spent in attorneys' fees and went on to ask why Old School Cape Charles didn't work with the Cape Charles Christian School when they were asking everyone for their assistance in raising money for the school. Mr. Veber stated that it was a sad situation when several people wanted to do nothing but cause problems in the Town and went on to ask how much the Town had spent in attorneys' fees to date, adding that he realized that the Town wasn't finished with the three lawsuits yet. Mr. Veber stated that he could see the tax rates going up to pay for the legal expenses. Mr. Veber also stated that the Town had an excellent group of people working for it and asked how many hours were spent on the lawsuits. Mr. Veber commented that he thought there was a lot of hatred on people's parts and reiterated to the Mayor and Council to continue to keep the high road and stay positive. Mr. Veber concluded by stating that there were a lot of people in Town, the quiet majority, that supported Council and there was one small group of people who were always complaining and stated again for Council to keep doing what they were elected to do and that was to consider the Town's interest first.

Town Clerk Libby Hume read letters from Ms. Marta Rose and Mr. William Burnett, Northampton High School Director of Bands. (Please see attached.)

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

RECOGNITION OF VISITORS / PRESENTATIONS

David Gammino – Hotel Cape Charles – Appeal of Historic District Review Board Decision

Mr. Gammino thanked Council for accepting the documents that he submitted last week explaining the basis of the appeal for the determination of the Historic District Review Board and their interpretation of the Historic Guidelines and that the hotel was appropriate in relation to the guidelines. Mr. Gammino began by apologizing to the Town Code Officials because there had been a lot of criticism directed toward the Building Inspector and Zoning Administrator. The criticism was unfounded and inaccurate. Mr. Gammino stated that as a general contractor and developer, he had done a lot of projects in a lot of different localities in the State of Virginia and the Cape Charles Code Official was one of the most fastidious code officials that he had ever encountered. The official was on the job daily and his interpretation of the Code was strict. Mr. Gammino added that the building that he inherited was not inspected in the same manner. Mr. Gammino stated that the Code Officials bore no responsibility for this situation. Mr. Gammino explained his commitment to the hotel and the Town and expressed how important the hotel was to him and his family. Mr. Gammino stated that he had no background in hotels and admitted to making mistakes along the way and that he was still in the process of correcting those mistakes, the biggest of which was not resubmitting the changes to the design of the building. Mr. Gammino apologized and explained that it happened because he was trying to open the hotel by May 2012 and to stop the project at that point to go through another review process at that time would not have permitted him to open the hotel last summer which would have been devastating given the fact that the project was over twice the original budget of \$1M. Mr. Gammino stated that he respected the decision of the Historic District Review Board and understood why it was not well-received by the Board in that it was different from what the Board typically saw and it was modern. Mr. Gammino stated that he

wanted an opportunity to elaborate on how and why the design was appropriate with the National Park Service Guidelines, upon which the Cape Charles guidelines were based, and if the guidelines were interpreted as they were intended, when it came to new infill construction, the hotel was entirely appropriate within the Historic District and helped tie together the different elements along Mason Avenue. Mr. Gammino added that he understood and accepted that there should be a repercussion for choosing the path that he did but trying to place iron rails on the building was not a plausible solution. The hotel was an amazing success in its first season, had exceeded his expectations in every way and had had a profound economic impact to the Town. Mr. Gammino stated that in the twelve years of being in development and a general contractor, this was unequivocally the project of which he was most proud. The building was beautiful and the accolades received had been the most rewarding feedback that he had ever received. Mr. Gammino concluded by stating that he was immensely proud of the project and that it was in Cape Charles and hoped, respectfully, that the Council could find a way to allow him to maintain what so many people believed to be a beautiful design and take any other actions that the Council felt appropriate.

Vice Mayor Bannon stated that he was awed at the building and wanted the hotel to go forward and be successful. Mr. Gammino did a spectacular job and the hotel was an asset to the Town. No matter what the decision, Council would be criticized.

Mayor Sullivan stated that Mr. Gammino put the Council in a terrible position.

Councilwoman Natali stated that she liked the building. At first, when the plywood was removed, she was surprised but after a while, it seemed to blend in with the remainder of Mason Avenue. Many of the people that were outraged at the initial unveiling now stated that they liked the look of the building. One of the requirements of the Historic District Guidelines stated that additions must look like an addition and not part of the genre of the original building and asked Town Planner Tom Bonadeo for clarification. Tom Bonadeo stated that if there was a historic structure, things that were added later needed to look like it was added separately and in this case, this building was not a historic restoration because there was nothing left of the historic hotel except the rounded brick window in the bottom and other pieces of brick which were the only items left from the original McCarthy Hotel. Councilwoman Natali went on to state that she felt Council had several options: i) Deny the appeal and send it back to the Historic District Review Board but added that she was not in favor of this option because she felt the hotel was an asset to the Town. One of the objectives of Council was to move the Town forward; ii) Have the issue be taken to court but that required legal fees, court costs and was a waste of our time and money; and iii) Assess the costs to the Town for public notices and staff time to deal with this issue, which was approximately \$1,500, and grant the Certificate of Appropriateness. Councilwoman Natali stated that she did not want to encourage other businesses, developers or property owners to do something similar with the feeling that they could get away with it. There had to be rules and guidelines to be followed. Councilwoman Natali concluded by stating that she was in favor of assessing a fine for the cost to the Town for the process of the appeal.

Councilman Godwin stated that he understood Mr. Gammino's concerns and the concerns of the Historic District Review Board and their position in dealing with future applications but he could not, in good conscience, go against what had been done at the hotel and added that he was in favor of moving forward.

Councilman Sullivan stated that he never felt the building was inappropriate and that he liked the structure. Council was being placed "between a rock and a hard place" in this situation. There were misunderstandings and design changes that were made without anyone being notified. Councilman Sullivan expressed his agreement with Councilwoman Natali's comments. The Town spent money in legal fees, advertising fees and staff time and Mr. Gammino should be held responsible for paying the costs. If Mr. Gammino was agreeable to paying the costs to the Town, the Town should issue the Certificate of Appropriateness so Mr. Gammino could obtain the Certificate of Occupancy for the hotel.

Mr. Gammino stated that he felt it was appropriate to pay the Town's expenses regarding this matter since he caused the situation.

Mayor Sullivan stated that Council considered the following items: i) Review the design on its own merits and decide whether additions of railing would make the building be, or appear to be, more historic; ii) Review the Certificate of Appropriateness process and the applicant's failure to execute the original plan as approved; iii) Council could find the existing work to be compatible with the guidelines and the process not in accordance with the Ordinance. The ordinance allowed for conditions to be applied by Council similar to the case of a conditional use permit. A condition could be applied to reimburse the Town for the cost of the appeal process to include advertising, copying and staff time which was approximately \$1,500; and iv) The Ordinance stated that anyone violating any provision of the Ordinance should be guilty of a Class IV misdemeanor and if found guilty, should be subject to a fine of not less than \$10 and not more than \$250. This would require legal fees, court costs and time. Mayor Sullivan stated that in her opinion, Council could select the third item.

Motion made by Councilwoman Natali, seconded by Councilman Godwin, to grant the Certificate of Appropriateness with the condition that the Town be reimbursed for the cost of the appeal process. The motion was approved by unanimous vote.

CONSENT AGENDA – APPROVAL OF MINUTES:

The Town Council reviewed the minutes of the January 10, 2013 Executive Session, the January 10, 2013 Public Hearing, the January 10, 2013 Regular Meeting, the January 24, 2013 Special Meeting, the February 7, 2013 Public Hearing and the February 7, 2013 Special Meeting.

Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to approve the minutes from the January 10, 2013 Executive Session, the January 10, 2013 Public Hearing, the January 10, 2013 Regular Meeting, the January 24, 2013 Special Meeting, the February 7, 2013 Public Hearing and the February 7, 2013 Special Meeting as presented. The motion was unanimously approved.

DEPARTMENT REPORTS:

A. Treasurer's Report:

Treasurer Kim Coates reviewed the Treasurer's report dated January 31, 2013 which showed \$231,326 in the Bank of America account, \$978,378 in the Shore Bank account, \$68,429 in the Local Government Investment Pool (LGIP) account for the New Library and \$440,133 in the Local Government Investment & Restricted Funds with the Total Cash on Hand at \$1,701,267. The report also showed Total Cash Held in Reserve at \$356,014. Kim Coates reviewed the Tax Collection Comparison for Fiscal Years (FY) 2012 and 2013 which showed that \$207,831 more was collected in FY 2013 as of January 31st with increases noted for license, meals tax, transient occupancy, personal property taxes and real estate taxes. It was noted that the personal property totals were being researched and adjustments would be made moving amounts collected for previous years' taxes to the appropriate category. New billings would also be sent for delinquent real estate and personal property taxes. Kim Coates also reviewed the revenues vs. expenditures and the capital improvement projects. A report showing the total value, total budgeted tax revenue, total of bills mailed, total of collections and total outstanding for real estate and personal property taxes as of January 31, 2013 was reviewed. Kim Coates noted that \$20,412 had been processed via credit cards since new credit card swipers were installed on November 20, 2012. Councilwoman Natali asked whether the credit card payments for the Building Department could be separated from payments taken in the Finance office for future reports. The report detailing the dollars spent to date on the new library building was reviewed.

Heather Arcos stated that the land book from Northampton County showing the updated real estate assessments was expected in early March and would be reviewed during the budget work sessions.

Vice Mayor Bannon asked if there had been any further discussion with the County regarding semi-annual billing for taxes. Heather Arcos stated that the County would be discussing this issue for real estate taxes and would be notifying the Town of their decision. Councilwoman Natali added that the County's policy in the past allowed citizens to pay 50% of their real estate taxes in June and the remaining 50% in December based on the prior years' assessments.

Heather Arcos stated that upon receipt of the County's decision regarding semi-annual tax billing, the Town would review the information and research the impact to the Town to possibly follow suit.

Motion made by Councilwoman Natali, seconded by Councilman Sullivan, to accept the Treasurer's Report as submitted. The motion was approved by unanimous consent.

B. Planning Commission and Boards:

Town Planner Tom Bonadeo reported the following: i) Work was progressing on the new library building and much of it was being done by volunteers – the Friends of the Library, Ralph Orzo, Jim Weiner, Bob Panek and himself; ii) Several months ago, several items were reported to the Army Corps of Engineers as a result of Hurricane Sandy. It seemed that the emergency funding requirements were moving forward for the maintenance dredging of the Harbor, additional stone required to prevent overtopping of the jetty, and repair of the rock revetment along the north shore of the Harbor; and iii) He attended a Climate Change Meeting and the group would be scheduling a public input session in the future regarding sea level rise. Our ground was also sinking. The City of Norfolk had seen a 12" change in sea level in the last 100 years and we were in a similar predicament.

Councilman Godwin asked whether the flood zone maps had changed. Tom Bonadeo responded that FEMA created the flood maps in 1988 and the National Oceanic and Atmospheric Administration (NOAA) would be releasing new maps and upon receipt, the Town would schedule a seminar for all residents to review the effect of the changes.

Councilman Godwin asked whether the proposed expansion of wave attenuators would affect the area where the barges came into the Harbor. Tom Bonadeo stated that the location for the wave attenuators would not affect the barge traffic.

C. Other Departmental Reports:

Town Manager Heather Arcos reported the following: i) The heating system in the current library had failed last week but had been repaired as of today; ii) The fishing pier repairs would be done next week and staff was hoping to have the pier reopened by April 1st; iii) Dave Fauber was working with VDOT regarding the sidewalk repairs along Mason Avenue. Business owners would be kept apprised of the progress; iv) An appeal and complaint against the Town had been filed with the Northampton County Circuit Court on February 4th regarding the bathrooms in Central Park. Construction of the bathroom facility was stopped until the appeal could be heard; v) There would be a closed session immediately following the regular meeting tonight regarding the W. M. Schlosser contract and litigation on the Central Park Bathroom Facility; vi) The bids to paint the exterior of the current library were being reviewed; and vii) The Town had been working under a consent order from the Department of Environmental Quality (DEQ) since September 27, 2010 regarding Inflow and Infiltration (I&I) into the collection system for the wastewater treatment plant. The consent order had been closed due to the outstanding jobs done by Dave Fauber, Bob Panek and the Utility Department with all their hard work with the new wastewater treatment plant.

There were no other questions regarding any of the monthly Departmental Reports.

NEW BUSINESS:

A. *Library Board Recommendation:*

Heather Arcos stated that a recommendation was received from the Cape Charles Memorial Library Board to designate the current library building as a Library Annex to be used for showing movies, recreational activities for children and adults, meetings and other community and library-related activities. The library movie licensure covered only the library and other designated library buildings. Another letter was received from the Friends of the Cape Charles Memorial Library supporting the Library Board's recommendation. The future of the current library building was being reviewed by the Community Needs Advisory Committee and their recommendations would be presented to Council when received. There would be further discussion regarding the future of the building and Council priorities during the Budget Retreat.

B. *Dissolution of the Industrial Development Authority of Cape Charles-Northampton County:*

Mayor Sullivan stated the Industrial Development Authority (IDA) of Cape Charles-Northampton County was created by resolution on June 5, 1972 to administer the bond financing for Shore Memorial Hospital and Heritage Hall until the bond debt was retired. County Administrator Katie Nunez had reviewed the entire outstanding bond obligations and could not locate any outstanding bond obligations. Ms. Nunez had recommended holding a public hearing to dissolve the body since it corresponded with how the body was created.

Motion made by Councilman Sullivan, seconded by Councilwoman Natali, to schedule a public hearing to dissolve the Industrial Development Authority of Cape Charles-Northampton County prior to the March Council meeting. The motion was approved by unanimous consent.

C. *Cape Charles School Project Update:*

Heather Arcos reported the following regarding the Cape Charles School Project: The sale of the former school property was finalized on December 20, 2012; ii) A letter dated February 1, 2013 was received from the Department of Historic Resources (DHR) regarding the Continuation/Amendment sheet for the Part 2 application that was submitted in response to the DHR letter of November 1, 2012. Charon Venture's Tax Credit Consultant had continued to work with the DHR to get these issues resolved; iii) The Town had notified DHR that the sale of the property was finalized on December 20, 2012 and all future letters would be addressed to Charon Ventures with a copy to the Town; iv) Due to the rescheduling of the hearing for the two lawsuits from Old School Cape Charles, LLC (OSCC) from December 17, 2012 to January 25, 2013, and upon request of Mr. Kevin Martingayle, attorney for OSCC, to delay commencement of any structural or physical work to the building until the legal issues were resolved in court, Charon Ventures agreed to postpone commencement of work on the building until after the hearing and at the January 10, 2013 meeting, Council granted an extension to start the 90-day period for commencement of construction on January 25, 2013. Charon Ventures was currently working on their plans for submission to the Building Department for permitting as well as their application for review by the Historic District Review Board; v) The hearing regarding the two lawsuits from OSCC was held on January 25, 2013 and the Town was awaiting Judge Lewis' decision which would be provided in writing; and vi) The first amendment to the sale and purchase contract with Charon Ventures, LLC was finalized on February 8, 2013. Section 15(F) was amended as of the Effective Date of the Contract to clarify the intent and agreement between the parties and removal of the clause in reference to low income housing.

D. *Harbor District Density - Direction for Planning Commission:*

Tom Bonadeo stated that the Planning Commission was working on the methodology for quantifying the density in the Harbor District. The Commission recommended the use of Floor Area Ratio (FAR), a proven methodology to measure the total amount of development on a parcel not just the residential units. FAR took into consideration the massing, height, parking,

etc. The Commissioners wanted to make sure they were heading in the right direction before continuing their work on this issue and were requesting direction from the Town Council. The implementation of FAR would require the following to take place: i) The areas around the Harbor should be delineated in the ordinance so FAR could be applied to each area differently. The Harbor Area Conceptual Master Plan was part of the Comprehensive Plan and described the areas, especially the area adjacent to Mason Avenue; ii) These areas should have elevation requirements applied differently. The south side of the Harbor should be higher and the properties along Mason Avenue should be lower in better relationship to the existing buildings. The height averaging should be eliminated along Mason Avenue in favor of “broken” elevation; iii) Parking at levels other than ground level would count as developed floor space; iv) A FAR table would be created with smaller ratios along Mason Avenue and larger ratios on the south side of the Harbor; and v) Existing lots bordering Mason Avenue and the Harbor would be defined as separate zones. There was some discussion regarding FAR and several of the Council requested a work session with the Planning Commission to go over the FAR concept in more detail so Council could better understand the concept.

Motion made by Councilman Sullivan, seconded by Vice Mayor Bannon, to direct the Planning Commission to continue with the Floor Area Ratio concept and schedule a joint work session with the Planning Commission for the Council to further review information regarding Floor Area Ratio. The motion was approved by unanimous consent.

E. *Resolution Supporting the Cape Charles Access Road:*

Heather Arcos stated that in 2010, the Town Council and Planning Commission reviewed information regarding the Economic Development Access Program administered by VDOT which was a program to roads to industrial properties. There had been renewed interest in the development of the access road which would provide much needed highway access connecting the sea-lane shipping/rail-based shipping facilitated by the railroad and deep water harbor with the Route 13 highway corridor. With the Town of Cape Charles, Northampton County, the Virginia Port Authority, South Port Investors, Bayshore Concrete, Bay Creek and other stakeholders with interest in the Cape Charles Harbor working together, a more targeted, business ready approach could attract and capture opportunities for the area. The Northampton County Board of Supervisors previously adopted the County’s Secondary Roads Six-Year Plan for FY 2013-2014 and Improvement Priorities List for FY 2012-2013 which designated the upgrade of Route 642. At their February 14, 2013 meeting, the Board of Supervisors passed a resolution in support of the construction and implementation of the Cape Charles Harbor Access Road Project as a more efficient use of existing resources than the upgrade of Route 642 as currently designated. There was some discussion regarding the proposed location of the access road and Tom Bonadeo explained that it would use a portion of the area designated for the Bay Creek Parkway extension, along Route 642 and across property owned by South Port Investors providing direct access to South Port and Bayshore Concrete.

Motion made by Councilman Godwin, seconded by Councilwoman Natali, to adopt Resolution 20130221 – Supporting the Cape Charles Harbor Access Road Project. Mayor Sullivan read Resolution 20130221. The motion was unanimously approved by roll call vote. Roll call vote: Bannon, yes; Godwin, yes; Natali, yes; Sullivan, yes.

F. *Virginia Port Authority Grant Request:*

Heather Arcos stated that last year, the Virginia Port Authority (VPA) approved a \$500K grant requested by the Town for Phase 3 of the offshore breakwaters. The estimated project cost was approximately \$800K, with Phases 4 and 5 estimated to be at least another \$1.2M. Town staff met with private stakeholders in the harbor but no commitment of private funds had been made for this project. Last month, Council authorized the Mayor to request a carryover of the existing \$500K grant for protection of the harbor.

Town staff had been working with South Port Investors to develop an alternative approach for protecting the inner harbor from waves and swells by installing wave attenuators (floating breakwaters) on both the north and south sides of the harbor. Discussions with Bayshore Concrete, the Coast Guard and the Army Corps of Engineers were being scheduled. As briefed to Council at the January 24th Work Session, an additional benefit of this project was creation of a basin on the north side of the harbor in front of the Shanty restaurant. Twenty-three additional docking spaces could be created in this area by the addition of another section of floating dock. The estimate for this project was approximately \$100K and could be funded by a new \$75K VPA grant with a \$25K Town match, which had been verbally pledged by South Port. Heather Arcos went on to state that she and Harbor Master Smitty Dize met with the VPA on February 19th and briefed the VPA regarding this approach.

Councilwoman Natali asked why the Town was only asking for \$75K for this project and suggested a request for a larger amount to be prepared for unforeseen expenses related to this project and any additional funds could be used toward the breakwater project. Smitty Dize explained that the percentage of the Town match increased significantly if the grant amount was over \$500K. This \$75K grant request was being submitted as a separate project to build additional floating docks. These types of floating docks were always needed so smaller slips could be created to accommodate 20' to 30' boats which comprised the majority of the waiting list.

Motion made by Councilman Godwin, seconded by Councilwoman Natali, to authorize the Mayor to send a letter to the Virginia Port Authority requesting an additional grant of \$75,000 as discussed. The motion was approved by unanimous consent.

G. *Mayors' Recommendation to Northampton County:*

Mayor Sullivan stated initially a group was formed to stop the move of Riverside Shore Memorial Hospital and added that she declined to join this group and opted to form another group to develop an alternative plan to keep emergency services in Northampton County. The loss of services was critical to the residents of Northampton County and some factors to be considered were i) The time elapsed from the time of injury was critical and the "golden hour" referred to the first hour from incident to treatment, during which, if treatment was received, the chance of survival was greatly increased. The move of the hospital greatly decreased the chances that many of Northampton County's residents could obtain care within the golden hour; ii) Traumatic injuries were more common in rural areas and residents face worse outcomes and higher risk of death than urban patients due to lack of ready access to emergency services; iii) The median age of residents within the County rose 12% since the last census to just over 47 years of age; iv) Any efforts to attract a continuum of care facility would be unsuccessful without an emergency department in the County. This would eliminate a potential economic opportunity and further dampened the housing market in the County; v) Retirees and buyers of second homes would not consider Northampton County an attractive place to settle if adequate emergency services were not available; and vi) Attracting new businesses, entrepreneurs or individuals interested in telecommuting would be more difficult with the lack of adequate emergency services. A letter was sent to the Mayors and Town Managers of the incorporated towns in Northampton County requesting their support in the recommendation to the County for the development of a Request for Proposal by Northampton County to secure a freestanding emergency department. Responses had been received from the Towns of Exmore, Eastville and Cheriton. The Nassawadox Town Council would be reviewing the letter at their February meeting. Mayor Sullivan stated that this would benefit all of us and asked Council for their support.

Motion made by Councilman Godwin, seconded by Councilman Sullivan, to authorize the Mayor to submit the letter to Northampton County for consideration as discussed. The motion was unanimously approved.

H. *Cape Charles Community Band:*

Heather Arcos stated that a letter was received from the Citizens for Central Park (CCP) requesting the Town's support for the Cape Charles Community Band whose goal was to provide free weekly, family friendly concert performances in Central Park during the summer and at other events. The target for its first performance was Memorial Day weekend. Benefits to the Cape Charles community would include: i) Supporting tourism, local merchants, restaurants, hotels, B&Bs and vacation rental owners by adding a free, family friendly draw for visitors each week; ii) Preserving an American tradition of community bands; iii) Utilizing Central Park for public events, building on prior grants; iv) Fostering appreciation of traditional musical composition and performance; v) Encouraging inter-generational activity and learning; vi) Supporting the Northampton County school system music program; vii) Enhancing the "Cape Charles By the Bay ... Harbor for the Arts" brand; and viii) Providing a source of pride in the community. CCP agreed to apply for a \$1K from the Virginia Commission for the Arts for the purchase of musical instruments. The grant required a 100% match. The CCP would be providing \$500 toward the required match and requested that the Town co-sponsor the Community Band and provide \$500 toward the match. The grant would become available July 1, 2013, so the \$500 Town match would be included in the FY2014 budget. The Commonwealth of Virginia also had surplus equipment, including musical instruments, available to certain approved entities such as local governments. If the Town agreed to be a co-sponsor, musical instruments may be available from time to time at greatly reduced prices. When the CCP was organized in early 2000, a community band was part of their vision.

Heather Arcos added that the letter from the CCP included two other requests for funding assistance for holiday lighting and building landscaping. These requests would be reviewed during the budget work sessions.

Motion made by Vice Mayor Bannon, seconded by Councilman Sullivan, to co-sponsor the Cape Charles Community Band along with the Citizens for Central Park and pledge \$500 of matching funds in the upcoming budget towards the Virginia Commission for the Arts grant. The motion was approved by unanimous consent.

OLD BUSINESS

A. *Public Service Authority & Regional Wastewater System:*

Assistant Town Manager Bob Panek stated that the Northern Node (Exmore and Nassawadox medical community) was currently on hold until plans for the Riverside facilities were disclosed. The Public Service Authority (PSA) provided a presentation to the Northampton County Board of Supervisors (BOS) on January 8th and presented financial options for implementing the system. The PSA decided to explore a more limited service area focused on the commercial properties around the Route 13 and Route 184 intersection. The preliminary estimate for this project was between \$1.5M to \$2M. The objective would be to fund the first phase of the Southern Node primarily with private capital contributions from the commercial property owners. The BOS requested the PSA to provide a recommendation on the financing approach as well as estimates to extend the system to the Webster property and the Town of Cheriton. A special tax district was under consideration which would add 50¢ to the tax rate for this area. The PSA Board met earlier this week and approved sending the recommendation to the BOS.

B. *Our Town Project:*

Bob Panek stated that the original "Our Town" project budget of \$175K was based on receiving a \$75K grant from the National Endowment for the Arts (NEA). The \$25K grant shortfall had been made up principally by obtaining a total of \$15K in additional grants - \$5K from the Virginia Tourism Commission and Virginia Commission for the Arts, and \$10K from the Virginia Tourism Commission. These grants were supported by \$11,450 of cash matches and about \$10K of marketing support by various organizations. This effort was spearheaded by the Arts

Enter and the Cape Charles B&B Association. \$26,450 was allocated for implementation of a "Cape Charles by the Bay ... Harbor for the Arts" tourism website and a marketing campaign. Development of the website was underway by Ciniva of Virginia Beach. The new website should be operational by the end of March. A \$22K contract modification was negotiated to piggy-back the "Arts Walk" planning efforts on the Land Studio contract for the next phase of the community trail. This effort would begin in the spring and included engaging the community on ideas to link existing performance spaces and create additional spaces such as the Strawberry Street plaza. The final product would be reflected as a modification to the Cape Charles Master Trail Plan. The first event under the Our Town project was "A Magical Weekend in Cape Charles" which included the Cookie Trail by the B&B Association, Santa's House by the Cape Charles Christian School, the Grand Illumination by CCP, and the movie "It's a Wonderful Life" by Arts Enter. Additional events were being planned for this year, including: i) A Pirates & Wenches festival would be held in June during the Tall Ships weekend; ii) A two-week Arts Festival in August beginning with the Clam Slam & Boat Docking Contest and would include workshops in sound, dance and film. There would be a series of musical performances in Central Park, at the beachfront Pavilion, on Strawberry Street and in the Palace Theatre; and iii) An Oktoberfest celebration would be held in conjunction with the Annual Eastern Shore Birding and Wildlife Festival in October.

MAYOR AND COUNCIL COMMENTS

Mayor Sullivan stated that she did not have any additional comments.

Councilwoman Natali stated that the Friends of the Cape Charles Memorial Library Gala Fundraiser for the new library was being held on Saturday evening from 6:00 p.m. – 8:00 p.m. at 201 Mason Avenue. Tickets were \$25 per person or \$50 per couple. Tickets could be purchased from her, Sullivan's Office Supply and Rayfield's Pharmacy. Mayor Sullivan added that there were not many tickets left.

Councilmen Godwin and Sullivan stated that they did not have any additional comments.

ANNOUNCEMENTS

- February 23, 2013 – Friends of the Cape Charles Memorial Library Gala Fundraiser, 6PM
- February 28, 2013 – Town Council Budget Retreat, 12PM – 6PM
- March 7, 2013 – Town Council Work Session, 6PM
- March 14, 2013 – Town Council Budget Work Session, 3PM
- March 21, 2013 – Town Council Regular Meeting, 6PM
- March 28, 2013 – Town Council Budget Work Session, 6PM

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

Mayor Sullivan

Town Clerk

**Town Council Regular Meeting
February 21, 2013
Comments Provided in Writing**

Marta Rose, Latimer's Bluff

I would like to request that a town resident be recognized for the time, effort and endless volunteer hours that she gives of herself not only to the Cape Charles Christian School but any event in the Town when she has been asked. Jenni Potts will be relocating to New Orleans this summer; her commitment and support to the town and county residents will be sorely missed. I believe some kind of recognition would be appropriate.

William Burnett, Northampton High School Director of Bands

I wish I could be there to speak to you in person, but I am tonight going to be performing with my students at Northampton High School at the exact time of this meeting.

As a music teacher, I find it critically important that music finds its way to take root in its community. As a resident of Cape Charles, a center for arts and entertainment on the eastern shore, I find it important to add instrumental musicianship to the broad skills and abilities of our artistic community. Being the band director of Northampton High School gives me a unique perspective in terms of watching instrumentalism grow in our community. Right now band is at a critical stage, so few students live in our county, and my band of thirteen high school aged students does not provide my students with the kind of experience a large ensemble can give, such as participation in a community band. The educational benefits this band could provide for the students with the skill to perform at this level are unsurpassed by any that I can provide within the limitations of a classroom. Performances in this band would even give students community service hours, required for honors societies, and for graduating Northampton High School. I strongly urge you, council members, to support music education in these few weeks before music education month (March) by helping to fund the Cape Charles Band.

Sincerely,
William Jason Burnett
Director of Bands,
Northampton High School