



# TOWN COUNCIL

## Work Session

Town Hall  
April 12, 2011  
6:00 p.m.

At approximately 6:00 p.m., Mayor Dora Sullivan, having established a quorum, called to order the Work Session of Town Council. In addition to Mayor Sullivan, present were Vice Mayor Bannon and Councilmen Bennett, Evans and Veber. Councilwoman Natali arrived at 6:17 pm. Councilman Sullivan was not in attendance. Also present were Town Manager Heather Arcos, Treasurer JoAnna Leatherwood and Town Clerk Libby Hume. Other department heads in attendance were Public Works/Public Utilities Director Dave Fauber and Consultant Bob Panek. Town Accountant Jerry Murphy was also in attendance. There were no members of the public in attendance.

Mayor Sullivan announced the business for the evening would be to continue the review of the proposed operating and capital budgets for FY 2011-2012.

Town Manager Heather Arcos suggested that Council begin with the budgets not reviewed at the April 7<sup>th</sup> Work Session.

The operating and capital budgets for the following departments were reviewed: i) Legislative; ii) Town Clerk; iii) Town Manager; iv) Town Planner; v) Public Works; vi) Waterworks; and vii) Wastewater.

The Legislative budget included the following: i) \$2K was added for the cost of the general election. This cost was previously included in the Town Manager budget; and ii) The \$500 Rotary dues was added for the Mayor's membership.

The Town Clerk budget included the following: i) The part-time clerk hours were increased from 30 to 36 hours per week; and ii) \$7K in health coverage costs were deleted since the Clerk has dental coverage only. Overall, there was a decrease in this budget.

The Town Manager budget included the following: i) \$16K was added for a part-time consultant to work two days per week to assist the Town Manager with various projects; ii) \$10K was added for an economic development consultant as discussed at the January Council Retreat; iii) The IT Consulting amount was increased to include the cost of a new server, software and support; iv) Legal Fees for Public Works was reduced from \$1K to \$500; v) Advertising was reduced from \$2500 to \$1K; vi) \$1K was added to obtain directional highway signage regarding the "Cape Charles Public Beach;" vii) The Public Officials Liability insurance item was increased to obtain a new policy with higher coverage limits and other added benefits for the Town; and viii) The Local Government Challenge Grant match for Arts Enter was increased to \$5K per their request to help support the arts. Overall, there was a decrease in this budget.

There was much discussion regarding the Town hiring an individual economic development consultant vs. using the services of the Chambers of Commerce or the Eastern Shore of Virginia Tourism Commission. Concern was expressed that the Chambers of Commerce and the Tourism Commission focused on the entire Eastern Shore vs. the Town and it was felt that the Town needed someone to concentrate on bringing business and tourism to Cape Charles. Councilman Evans stated that he did not think Cape Charles, with only 900+ residents and a handful of businesses, had enough clout or the wherewithal to do anything on our own and added that he felt that Ms. Lynne Lochen, the new tourism / marketing specialist appointed by Governor

McDonnell, would be the person the Town should utilize. After further discussion, Mayor Sullivan agreed that the Town should begin by working with Ms. Lynne Lochen. Heather Arcos stated that she had been talking to Ms. Lochen on a regular basis.

Heather Arcos stated that she had been reviewing the options for Broadband services to the Town and believed that the cost could be reduced from \$575 to \$300 per month but wanted to talk to the current IT consultant for his opinion.

There was much discussion regarding the Public Officials Liability Insurance. The proposed new policy increased the coverage limit from \$1M to \$2M but also included an approximate tenfold increase in cost. Councilman Veber asked what other municipalities had this type of policy and whether they had ever had to use the services. Councilman Bennett asked Heather Arcos to continue researching this policy to determine all the benefits and whether it was actually necessary.

The Town Planner budget included the following: i) \$1K was added for GIS Mapping software and training; and ii) Lodging & Meals and Convention & Education expense was included to cover the certification training for the new Planning Commissioners. Overall, there was a slight decrease in this budget.

The Public Works budget included the following: i) The Grounds Maintenance line item was increased adding the maintenance of Central Park, the entrance to Town along Routes 13 and 184 and the leased lots at Randolph Avenue and Fig Street; ii) The Telecommunications line item was increased to purchase six mobile radios to replace cell phones; iii) \$1,200 was added to replace the foreman's computer; iv) \$15K was added to paint the exterior of the Library; v) \$5K was added for the design and initial plantings on the hump; vi) \$15K was added for sidewalk repairs. Many areas of the sidewalk are in need of repair and the Town had not budgeted anything in this area for several years; vii) \$12K was added to purchase a 4WD Gator with enclosed sides so the crew would not have to drive the trucks; and viii) \$30K was included to construct the foundation and erect the steel building which was being purchased this year.

The Waterworks budget included the following: i) \$30K to paint the interior of the water tank. The contract for the Water Tower Maintenance included \$30K for the first four years followed by \$10K per year afterwards. We are currently in the second year; ii) \$1,104 for the lease of the time clock. Last year, this charge was included in the Treasurer's budget; iii) \$400 was added for employee certifications and training; iv) \$45K was added for a new generator for the water plant; v) \$50K was added for engineering for water quality improvements; vi) \$120K was added for a new electronic control panel for the water plant; and vii) the Project Consultant / Management amount was decreased.

The Wastewater budget included the following: i) \$50K was added for the engineering and maintenance on the Inflow & Infiltration Project; ii) There was an increase for additional water sampling due to DEQ testing requirements for the new wastewater plant; iii) The electric and insurance costs were increased due to the new wastewater plant; iv) The cost for the lease of the time clock, which was included in the Treasurer's budget last year, was added; v) \$3,200 was added for the lease of the right-of-way for the underground pipeline for the new forcemain; vi) The cost of chemicals was increased due to the new wastewater plant and the DEQ requirements; vii) \$325K was carried over from this year for the balance of the Inflow & Infiltration Project; and viii) \$6.1M was included which was the portion left to complete the new wastewater treatment plant.

Heather Arcos stated that any changes discussed at the first two work sessions would be incorporated and packets for April 20<sup>th</sup> work session would be distributed later this week or early

next week. Mayor Sullivan stated that the Executive Session would be rescheduled to follow next week's work session.

Heather Arcos informed Council that staff would begin the rate study for water and wastewater.

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

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Mayor Sullivan

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Town Clerk