



**TOWN COUNCIL**  
**Regular Meeting**  
**St. Charles Parish Hall**  
**March 10, 2011**  
**Immediately Following the Public Hearing**

At 6:03 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, Evans, Sullivan and Veber and Councilwoman Natali. Also in attendance were Town Manager Heather Arcos, Consultant Bob Panek, Police Chief Charles Brown, Public Utilities Director Dave Fauber and Town Clerk Libby Hume. The Department Heads were also in attendance along with 23 members of the public.

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

**PUBLIC COMMENTS:**

*Marion Naar, Cape Charles Museum:*

Ms. Naar addressed the Council regarding the financial status of the Cape Charles Historical Society. Each year the Town provides \$2500 of funding for maintenance of the museum and Ms. Naar requested that this funding continue this year adding that the museum's 2011 operating budget was \$35,300. Ms. Naar informed Council that the museum was awarded a \$10K Challenge Grant for the Morgan Grant in Richmond and needed to raise the \$10K match and asked that the Town's funding be designated toward meeting this match. Ms. Naar continued by stating that she was happy to announce that the Mayor and all Council members were members of the Cape Charles Historical Society. The museum is in need of additional space and she would like "mini-exhibits" to be located in the Town Hall, the Library and other locations in Town. Ms. Naar added that the museum continues to operate without a professional director and eventually she would like the Town to add funding for a director at a salary of \$22K - \$30K annually, adding that the goal would be to operator the museum similar to the Barrier Islands Center. Ms. Naar gave a copy of the annual report to Mayor Sullivan who stated that the report would be scanned and emailed to Council for their review.

*Don Clarke, 304 Fig Street:*

Mr. Clarke addressed the Council regarding the Arts Enter and the Local Government Challenge Grant application. (See attached.)

*Bill Neville, Mt. Vernon, MD:*

Mr. Neville addressed the Council stating that he wanted to speak a little about tall ships and that several times in the past, tall ships were brought into the area. This would be an excellent opportunity for Cape Charles to capitalize on traffic that usually just went by the Town when visitors would go to tall ship events held in Baltimore, Annapolis, Norfolk, etc. The Town needed to put out a "welcome" to the tall ships inviting them to stop and offering perks for them to do so. This would be a good tourist attraction. Mr. Neville added that he was unsure of the financial commitment, but that Mr. Kabler would provide the information to Council. Mr. Neville concluded by stating that he would appreciate any consideration given to this issue.

*John Burdiss, 117 Mason Avenue:*

Mr. Burdiss stated that he was addressing Council on behalf of the Cape Charles Rotary Club adding that he was not here to ask for money. The Rotary Club was working on two projects with Town staff. The New Roots Garden Project was written by Ms. Laurie Klingel for a community garden. Soon, there will be some earth moving at the site which may involve some Town staff helping with the work. The projects were part of the obesity campaign to combat obesity in children and this would be a beautiful place coming into town and the idea was for children to help work in the

garden and eat food grown in the garden. The other project was the Get Fit Club, which Jen Lewis would be talking about later. This project was written by Ms. Roberta Newman and was scheduled to start April 4<sup>th</sup>. The Rotarians would provide volunteers and \$3,250 this year in support of these projects. Mr. Burdiss concluded by thanking the Town for their support.

*Sandy McFall – Gallery 209, Dawn Freudig – Bayside Café, Gene Kelly – Kelly’s Pub:*

Ms. McFall stated that she was here on behalf of some of the small business owners in Town to inform the Council of the dire circumstances they were in. Ms. McFall stated that she was speaking for herself, Steve Hairfield of Impact Fitness, Roberta Romeo of the Cape Charles Coffee House and Dave Burden. The economy was affecting everyone and several businesses were “circling the drain” and on the brink of closing. Ms. McFall stated that she would hate to see the effect to the Town if several of the businesses closed. Ms. McFall stated that she has no budget and was an unofficial “non-profit” business and added that she had not paid herself in a long time. Ms. McFall asked whether a committee could be put together and some relief actions taken to help the businesses in Town. Ms. McFall continued by stating that she had been here seven years and did not want to close her business but had decided to give it until the end of the year and if she did not see any improvement, she would have to close.

Ms. Freudig asked whether there were any funds available from a government level for businesses that were trying to establish themselves in a Town that was trying to come back to life. Cape Charles was a tourist town and was wondering if the Town could legally designate the Town as a tourist town so businesses, even though opened year-round, could possibly pay for seasonal licenses and permits, such as the ABC License and a Board of Health permit, vs. having to pay the entire annual fees. Ms. Freudig stated that she believed that businesses that were open only seasonally currently pay a fraction of the annual licensing fees and if the Town could be legally designated as a tourist Town, all the businesses could take advantage of reduced fees. Ms. Freudig concluded by stating that the businesses were in a lot of trouble and every little bit helps.

Mr. Kelly added that he keeps his business open seven days per week and the reason that he did was because there were people here during the winter months. Mr. Kelly stated that he struggled during the winter months because his fixed costs were the same during the winter as in the summer. The weekends were good, but during the week, he would go in the hole because he would not make enough to cover his expenses. Mr. Kelly stated that he realized that customers could not be invented but something could be done to encourage customers to come to Town such as making the Town more inviting during the fall and winter. Need to come up with a solution. If not, he was not sure whether he would still be here next year. Mr. Kelly added that he has people tell him that they did not eat out because they did not want to pay the 10% meals tax. If that amount could be reduced, especially in the off season, that would help get the people out. If his business was not here next year, the meals tax revenue would be gone for the Town. Mr. Kelly concluded by stating that the Town needed to get creative to help the businesses in the off season.

*Jim Mahaffy, 415 Tazewell Avenue:*

Mr. Mahaffy stated that he was speaking in support of Gene Kelly, Sandy McFall and Dawn Freudig. Two weeks ago, a business owner told him that they grossed \$30 for an entire weekend. When he first moved here in 1998-1999, there were only four stores open – a trading center, a grocery store, Watson’s Realty and Rayfield’s. All the other store fronts had “For Sale or Lease” signs in the windows. We were going back to that. The business owners were having a desperate time and he would hate to have to go through the winter months with no businesses being open. We were in a recession or depression and could not just raise the prices because fewer people were here. The Town had to do something positive to support the realtors and business owners in Town. Otherwise, the Town would look like the early 90s when there was nothing to bring the tourists here. Something needed to be done to support the businesses so they would be here in the summer when the tourists do come.

Additional comments were received by email from 10 residents from Cape Charles and the surrounding area expressing their support of Operation Sail 2012. Emails were received from: Tom Atkinson – 555 Monroe Avenue, I. Reese Smith – Capeville, Bill Neville – Princess Anne, MD,

Susan Kovacs – Machipongo, Honey Moore – Gull Hummock-213 Mason Avenue, Arts Enter/Historic Palace Theatre, William Akin, Eloise Nunn, Jean Steffens, and Richard Williams – Franktown. (See attached for comments.)

**CONSENT AGENDA:**

Mayor Sullivan stated that new Item 7G – Purchase Option was being added under New Business.

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

The Town Council reviewed the minutes of the February 1, 2011 Joint Public Hearing with the Planning Commission, the February 10, 2011 Public Hearing, the February 10, 2011 Regular Meeting, the two February 16, 2011 Executive Sessions, the February 24, 2011 Work Session and the February 24, 2011 Executive Session.

**Motion made by Councilman Evans, seconded by Councilman Sullivan, to approve the minutes for the February 1, 2011 Joint Public Hearing, the February 10, 2011 Public Hearing, the February 10, 2011 Regular Meeting, the two February 16, 2011 Executive Sessions, the February 24, 2011 Work Session and the February 24, 2011 Executive Session as presented. The motion was approved by majority vote with Councilwoman Natali abstaining since she was not in attendance at the two February 16, 2011 Executive Sessions.**

**REPORT PRESENTATIONS:**

*A. Town Manager's Report:*

Town Manager Heather Arcos began by stating that she was committed to help the business owners get through this difficult time. Heather Arcos went on state that she did not have anything to add to her report but that she wanted to present the first Citizens Recognition Award and an Employee Recognition Award.

The Citizen Recognition Award was presented to Ms. Liz Jones, a citizen of Cape Charles who was always available to assist in making the town of Cape Charles a better place by putting the interests of everyone else ahead of hers. Without her help, the Recreation Program would not be what it was today. Ms. Jones was always first in line to offer her help by creating programs, helping to set up and take down events, helping with fundraisers and spreading the word about upcoming events. Ms. Jones was the founder of Trunk or Treat and even though she had a family emergency and could not attend last year's event, she made sure her car was there and everything was organized before she left town. Thank you, Liz Jones.

The Employee Recognition Award was presented to Ms. Sharon Silvey, the Library Assistant, who exceeded the boundaries of her job almost every day but lending a hand whenever possible. Ms. Silvey was the first to show up and the last to leave and had taken items home to clean and return so that others would not have to be bothered after a long event. Ms. Silvey worked hard to reach out to the children, constantly reminding them of upcoming events and had developed a wonderful relationship with the children in Town. There were times when she could not make it to events due to her work schedule but she always made sure that her family was there to support the event. It was reassuring to know that Ms. Silvey was there every day and ready to help at a moment's notice. Thank you, Sharon.

Certificates were presented to Ms. Jones and Ms. Silvey.

Mayor Sullivan stated that this program would continue and that it was great for morale and good for citizens and staff to be recognized.

*B. Treasurer's Report:*

The Treasurer's report dated February 28, 2011 showed \$135,508 in the Bank of America checking account and \$3,043.620 in the Local Government Investment Pool ("LGIP") with a Total Cash on Hand of \$3,179,128. Treasurer JoAnna Leatherwood informed Council that she

had distributed a list of 10 property owners with the highest balances of unpaid real estate taxes. Only four properties were eligible for tax sales. To be eligible for tax sale, the taxes must be in arrears for at least three years or the property value must be assessed at less than \$100K. The County was getting ready to refer the delinquent 2008 taxes to their attorney. If any of these properties have outstanding balances to Cape Charles, the Town could get some of the delinquent balances repaid after the sale if there was any money left after County taxes and fees were paid off.

Councilman Veber asked how many businesses were in Town. JoAnna Leatherwood stated that she did not know. Councilman Veber suggested that a meeting be scheduled with all business owners to discuss their situation to see if anything could be done to help them. Mayor Sullivan agreed.

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

*C. Recreation Report:*

Community Events/Recreational Coordinator Jen Lewis distributed the New Roots Youth Garden plan developed by Ms. Laurie Klingel asking Council to review it and to contact her with any questions. Jen Lewis added that she was working with the Cape Charles Rotary Club, as stated by Mr. John Burdiss, on the Get Fit Program to help combat childhood obesity.

Councilman Veber asked Jen Lewis to discuss the program with First Tee. Jen Lewis stated that a six-week golf program was being organized to help kids learn to play golf. There was a \$10 fee per child for members of the YMCA and \$15 fee for non-members which was paid to First Tee. The kids would be bussed to Quinby to play at their golf course if a course could not be located closer to Town. She was looking for volunteers to sponsor a child since many children cannot pay the \$10 or \$15 participation fee.

*D. Library Report:*

Librarian Ann Rutledge was not in attendance.

*E. Harbor Report:*

Harbor Master Smitty Dize passed around a notebook of photographs of the construction at the Harbor and the poster for the 4<sup>th</sup> Annual Blessing of the Fleet for Council's review then went on to report the following: i) The wave attenuator would arrive by next Friday and the C-Dock would not be completed until the wave attenuator was installed. The D and C Docks were scheduled to be completed by the Blessing of the Fleet and there was a chance that the B-Dock could be completed as well. The construction was on schedule and included 44 floating boat slips and a total of 56 additional docking spaces. There would be 116-120 total docking spaces in the Harbor upon completion of the construction; ii) On May 20-22, 2011, the Northampton Chamber of Commerce would be holding the Lower Chesapeake Bay Black Drum Classic at the Cape Charles Harbor. For more information, please contact the Chamber of Commerce; and iii) To date, 13 Buy Boats were scheduled to arrive in Cape Charles for the Chesapeake Bay Buy Boat Reunion on August 5-8, 2011. He was working with staff and area businesses regarding activities for the weekend. In response to Mr. Bill Neville's comments, Smitty Dize stated that several years ago, the Town Council had adopted rules permitting boats of historical value, such as tall ships and buy boats, to dock at the Town Harbor for free and letters were sent to many of the tall ships inviting them to come to Cape Charles Harbor.

*F. Public Works / Public Utilities Report:*

Public Works / Public Utilities Director Dave Fauber reminded Council and everyone in attendance that the construction work on Mason Avenue would begin soon and notices were distributed to all residents and business owners along Mason Avenue. The construction should be completed by May 15<sup>th</sup>.

G. *Code Enforcement:*

Code Enforcement Officer Jeb Brady reported the following: i) Several punch list items for Central Park were left unfinished until warmer weather arrived. The bollards and benches were not installed correctly. The Central Park was approximately 80% complete as a whole and approximately 95% if the fountain issues were excluded. The Town has retained approximately \$60K from the contract for not addressing these issues which would be enough if the Town had to hire another contractor to complete the work; ii) He has been working with the engineers to address the standing water problem at the park and they were working on a plan to draw down the water. The problem was due to clay beneath the sand which hinders drainage; and iii) He has developed a guide for homeowners with contractor regulations and explanations as to the various permit requirements, etc. He distributed copies to Council and advised that it was also available on the Town's website.

H. *Planning Report:*

Town Planner Tom Bonadeo stated that several new businesses were coming to Town. The Cape Charles Hotel renovations were getting underway to create 16 guest rooms with a goal to open by summer for year-round clientele. This would bring approximately 30 people to Town to eat meals and shop. Also, a number of houses in Town were being renovated.

Councilman Veber asked Tom Bonadeo to develop something, similar to the Homeowners' Guide developed by Jeb Brady, to provide to prospective businesses regarding the various tax advantages, tax credit programs, etc.

**OLD BUSINESS:**

A. *Water and Sewer Facility Fees:*

Consultant Bob Panek stated that the current connection charges totaling \$20K were approved in 2009 based on growth projections, water and wastewater capacity expansion cost estimates and grant/loan estimates available at that time. The Town had achieved a greater grant percentage principally due to obtaining additional funding under the American Recovery and Reinvestment Act (ARRA). At the February meeting, Council considered two estimates of connection charges and approved drafting an ordinance reducing the residential connection charges to \$12,350 and rebating the difference to those individuals who have paid the \$20K. A public hearing was held earlier this evening and no comments were heard. In order for these changes to be approved, Council must adopt Ordinance #20110310 Reducing the Water and Sewer Connection Charges.

**Mayor Sullivan moved for adoption of Ordinance #20110310 Reducing the Water and Sewer Connection Charges. Ordinance #20110310 was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Evans, yes; Natali, yes; Sullivan, yes; Veber, yes.**

B. *Wastewater Treatment Plant Construction Update:*

Bob Panek informed Council that, as of the February 2011 progress meeting, construction on the new wastewater treatment plant was on schedule for completion in November 2011. A fifth interim project evaluation had recently been completed by DEQ with no significant issues raised. An additional wage determination has been requested from the U.S. Department of Labor under the Davis-Bacon Act and the contractor was awaiting approval. An invoice of \$1.1M had recently been paid by the Town totaling \$7.3M paid to date, which represented approximately 50% of the contract. The contract value was \$15M which included two change orders for effluent reuse and unsuitable soil at the site. A third change order for \$34K was ready for approval for miscellaneous items, including changes to better accommodate the new membranes and capping an abandoned water pipe.

C. *PSA & Regional Wastewater System Update:*

Bob Panek stated that the Southern Node Preliminary Engineering Report (PER) had been completed and the State Water Control Board (SWCB) had approved a DEQ zero interest loan for the \$11M project. Because of community opposition, the PER was being revised to reduce the service area to remain within the boundaries of Cheriton which would reduce the project

cost. A revised PER was expected by the end of March. The draft PER for the Northern Node had been reviewed by the Project Management Team (PMT) and was being finalized by the consulting team. The Nassawadox Town Council voted against mandatory connections, therefore, the first phase of this node will be the Town of Exmore and the Nassawadox medical community. This project would cost approximately \$11.3M. Financial applications have not yet been submitted. Both projects were dependent upon significant amounts of grant funding to yield affordable rates and it was planned to apply to both USDA Rural Development and the Virginia Department of Housing and Community Development for grant/loan packages. The PSA had also been in discussion with Riverside Health System concerning a capital contribution for the Northern Node project.

The PSA had been meeting monthly since August 2010 but not a great deal of progress has been made. Two PSA Board members had spoken in opposition to the Southern Node project before the SWCB and the County Board of Supervisors (BOS) and two other board members have resigned and have yet to be replaced by the BOS. With the completion of the PERs for the Southern and North Nodes under the planning grants looming, it was critical that the PSA assume responsibility for the projects but thus far had refused to do so. A meeting with the County BOS had been scheduled for April 20<sup>th</sup> to discuss the future of the PSA.

Councilman Bennett asked whether the zero interest loan had a time limit. Bob Panek did not know if there was an official time limit but an update needed to be provided to the SWCB before their next meeting regarding where the PSA stood regarding accepting responsibility for the projects.

Councilman Veber asked Bob Panek to explain that the PSA was different from the Town and that the Town would not be liable for any money regarding the PSA. Bob Panek stated that Councilman Veber was correct. The PSA would need a co-signer for the loans which would probably be Northampton County, but the PSA was not in position yet to move forward since commitments had not been secured yet for grant funding which was necessary to make this project affordable.

Councilwoman Natali asked about the status of the financial disclosure filing requirements from the PSA Board. Bob Panek replied that all board members had met the filing requirements.

**NEW BUSINESS:**

**A. *Tree City USA Presentation by Robbie Lewis:***

Mayor Sullivan introduced Mr. Robbie Lewis and his daughter, Skye, adding that this was the son and granddaughter of Mayor Bo Lewis of Cheriton.

Mr. Lewis stated that he currently resides in Onancock but grew up in Cheriton with very fond memories of Cape Charles. Mr. Lewis added that he works for the Forestry Department for Accomack and Northampton Counties dealing with fire suppressions and education. Mr. Lewis went on to state that he wanted to inform the Council of the Tree City USA Program which was a program sponsored by the Arbor Day Foundation in cooperation with the USDA Forest Service and the National Association of State Foresters and provided direction, technical assistance, public attention and national recognition for urban and community forestry programs in thousands of towns and cities across the country. This program was based on trees on public property and to qualify as a Tree City USA community, a town needed to meet four criteria: i) create a Tree Board comprised of people interested in trees; ii) develop a Tree Care Ordinance; iii) develop a Community Forestry Program with an annual budget of at least \$2 per capita; and iv) plan an Arbor Day observance and proclamation. Mr. Lewis explained that the Arbor Day observance did not have to be elaborate and a number of things could be done and added that he would be happy to help in any way possible. The Tree City USA designation was a really nice designation and if Council was interested, give him a call and he would assist in the process.

B. *Tall Ships Economic Development Initiative Presentation by David Kabler:*

Mr. David Kabler addressed Council regarding Operation Sail (OpSail) 2012 which was scheduled for June 2012 stating that this was an economic development plan and the inspiration behind his desire to bring the tall ships to Cape Charles was to encourage visitors to Town which, in turn, would help the businesses in Town. Mr. Kabler went on to state that he had given similar presentations to the Northampton County Ad Hoc Economic Development Committee, the Eastern Shore of Virginia Tourism Commission, the Northampton County Chamber of Commerce, the Northampton County Planning Commission and the Board of Supervisors, all of which have expressed their support. Mr. Kabler added that he was not asking for a commitment tonight but would like to have a meeting with County Administrator Katie Nunez and Heather Arcos to answer any questions they may have regarding this event. Heather Arcos added that she had already started discussions with Ms. Nunez and that they would like to include Ms. Donna Bozza from the Eastern Shore of Virginia Tourism Commission. Mr. Kabler went on to state that the Town should not underestimate the potential for this event to bring tourism, business, etc. into the area but there was a financial commitment involved and the Town needed to name a chairperson for the event planning. Mr. Kabler stated that his goal was to bring in one ship each week through the entire tourist season and he was trying to get them to come here for free dockage or minimal cost vs. the Town having to invest a substantial amount of money in fees. Advertisements would be placed in the newspaper regarding the ships and the dates they would be here so hundreds of visitors would come to Town. Mr. Kabler added that in November 1999, the *Clipper City* was anchored here for five weeks awaiting dockage in Newport News and logged 3,500 visitors over the five week period. OpSail 2012 event would be the largest flotilla in the nation's history and the number of visitors to the region was estimated at over 2M. Mr. Kabler stated that the event was scheduled for 2012 but the commitment was needed now, by the April 15<sup>th</sup> deadline. Council needed to assign a spokesperson to attend all the planning meetings in Norfolk and Fest Events would share their expertise regarding grants, security, etc. Everybody would be a partner in bringing this event to Town – the Town of Cape Charles, all the businesses in Town, the Cape Charles Museum, Northampton County, Chamber of Commerce, Eastern Shore of Virginia Tourism Commission, etc.

Mayor Sullivan stated that Council was prepared to adopt a resolution in support of OpSail 2012 without committing financially at this time. Mr. Kabler responded that the resolution was not needed tonight, but wanted a commitment to schedule a meeting with Heather Arcos, Ms. Nunez, Ms. Bozza and himself to discuss this further. Heather Arcos stated that she would set the meeting up next week.

**Motion made by Councilman Bennett, seconded by Councilman Sullivan, to table adoption of the resolution to endorse and support Operation Sail 2012. The motion was approved by unanimous consent.**

C. *Federal Highway Safety Grant Application:*

Heather Arcos explained that the Federal Highway Safety Grants were awarded annually to law enforcement agencies to combat violations of alcohol/impaired driving, occupant protection – seat belts/child passenger safety, aggressive driving/speeding, and pedestrian and bicycle safety. The Town received \$5,500 from this grant for FY 2010/2011. For FY 2011/2012, the Town would be requesting \$8,570 to purchase a much needed in-car camera, to pay for saturation patrols and highway check points in our jurisdiction, and officer training. This grant requires a 20% in-kind match but the Town would be able to show fuel usage and vehicle maintenance costs towards the match. Heather Arcos requested approval to submit the grant application by the March 15, 2011 deadline. Police Chief Charles Brown added that the grant would not be effective until October 2011 but the application had to be submitted by March 15<sup>th</sup> to get on the agenda for approval.

**Motion made by Councilman Evans, seconded by Councilman Sullivan, to approve the submission of the application for the Federal Highway Safety Grant by March 15, 2011. The motion was approved by unanimous consent.**

D. *Grounds Maintenance Contract Award:*

Heather Arcos informed Council that an Invitation for Bids (IFB) for the Grounds Maintenance Service was advertised in February. Four bids were received and were opened on February 28<sup>th</sup>. The bids were reviewed and staff recommended Eastern Shore Landscape Management, Inc. (ESLM) be awarded the contract. ESLM was not the low bidder but had been the grounds contractor since 2008 and had performed the duties professionally and safely in a responsible and responsive manner. Advantage Lawn Care was the low bidder but their bid package was incomplete and past experience with the company was not favorable.

ESLM's base bid for mowing services was \$21,090, which was less than last year. Their bid for the maintenance for Central Park, including mowing, fertilization, aeration, herbicide spraying, mulching, pruning and irrigation was \$16,075 for a total contract of \$37,165.

Councilwoman Natali stated that the Mason Avenue side of the hump needed to be landscaped and asked whether this was included in the contract. Heather Arcos stated that it was not but ESLM was asked to provide a bid for this area which would be reviewed during the budget meetings. Vice Mayor Bannon agreed that something needed to be done at the hump.

Heather Arcos added that a new landscaping plan was being developed for the area around the Cape Charles Welcome Sign at Route 13 and should be ready for review by Council at the April meeting.

**Motion made by Vice Mayor Bannon, seconded by Councilman Evans, to award the Grounds Maintenance Service Contract, including the maintenance of Central Park, to Eastern Shore Landscape Management, Inc. The motion was approved by unanimous consent.**

E. *Contract Award for Emergency Generator at Plum Street Pump Station:*

Heather Arcos informed Council that an IFB for the replacement of the Plum Street Emergency Generator and Transfer Switch was advertised in February. Two bids were received and were opened on March 3<sup>rd</sup>. The bids were reviewed and staff recommended that low bidder Harris Power of Yorktown be awarded the contract whose bid came in at \$23,200. \$45K was budgeted this year for a replacement generator.

Also included in the IFB was the option to bid on the Pine Street and Washington Avenue Pump Stations to be installed in the 2012 and 2013 budgets. The low bidder submitted bids of \$24,500 and \$25,300 respectively. Neither the Town nor the contractor were obligated to either of these pump stations until a separate contract was executed for each.

Councilman Bennett suggested that since the low bid for the first generator came in at \$23,200 and the Town had already budgeted \$45K for this project, for an additional \$2,700, the second generator could also be installed this year. Dave Fauber stated that the contractor may be willing to do both for \$45K and would contact the contractor regarding the second generator.

**Motion made by Councilwoman Bennett, seconded by Councilwoman Natali, to award the Plum Street Emergency Generator contract to Harris Power and Equipment and if the contractor was willing to do the Pine Street Generator within the \$45K total budget, then both generators should be included in the contract. The motion was approved by unanimous consent.**

F. *Local Government Challenge Arts Grant Application:*

Heather Arcos informed the Council that as Mr. Don Clarke explained earlier, the Town has participated in the Virginia Commission for the Arts Local Government Challenge Grant since 1997 and the Commission matches local government funds up to \$5K. The grant application deadline was April 1, 2011. The grant application was typically drafted by the Arts Enter and signed by Town staff. The Town must confirm in writing to the Commission the Council's decision to appropriate the matching funds by July 1, 2011. In the last several years, the Town had designated \$2500 for the Arts Enter, since Mr. Clarke asked for \$5K this year, she recommended that the application be submitted for \$5K. The application did not commit the Town to \$5K. The dollar amount could be evaluated

during the upcoming budget discussions and the Town's commitment be confirmed in writing by July 1, 2011.

**Motion made by Councilman Evans, seconded by Councilman Sullivan, to approve submittal of the Local Government Challenge Grant application in the amount of \$5K by the April 1, 2011 deadline. The motion was approved by unanimous consent.**

*G. Purchase Option:*

Heather Arcos stated the current leases of five parcels of Town property to Southport Investors contain purchase options for Parcels 83A3-19 and 83A3-20 and the Town was negotiating amendments to the two leases to refine: i) permitted uses of the property; ii) insurance requirements; iii) assignment provisions; and iv) exclusion of areas required for public utilities. Southport has requested a purchase option be added for Parcels 83A3-12 and 83A3-17 to enhance their ability to develop the planned yacht center. The Town expected to receive Southport's agreement with the lease amendments in the near future. The Code of Virginia required a public hearing be held prior to disposal of real property and that such sale be made pursuant to an ordinance passed by a recorded affirmative vote of three-fourths of Council. A purchase option must be treated in the same manner as a sale. Heather Arcos recommended that a public hearing be tentatively scheduled for March 30, 2011, contingent upon Southport's agreement with the proposed lease amendments.

**Motion made by Councilman Bennett, seconded by Councilman Evans, to schedule a public hearing for granting purchase options for Parcels 83A3-12 and 83A3-17, tentatively for March 30, 2011 contingent upon Southport's agreement with the proposed lease amendments. The motion was approved by unanimous consent.**

**OTHER ISSUES:**

Mayor Sullivan thanked all the attendees for coming to the meeting and stated that the Council did hear them.

**ANNOUNCEMENTS:**

- March 30, 2011 – Tentative Town Council Public Hearing, 6PM at the Town Hall
- March 31, 2011 – Town Council Budget Work Session, 6PM at the Town Hall
- April 4, 2011 – State of the County Breakfast, 8AM at Aqua
- April 7, 2011 – Town Council Budget Work Session, 6PM at the Town Hall
- April 8-9, 2011 – 4<sup>th</sup> Annual Blessing of the Fleet
- April 14, 2011 – Town Council Regular Meeting, 6PM at the St. Charles Parish Hall

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

---

Mayor Sullivan

---

Town Clerk

Presentation to Cape Charles Town Council Meeting on March 10, 2011

**Good Evening**

**My Name is Don Clarke, I live at 304 Fig St Cape Charles**

**I am here to speak on behalf of Arts Enter. I am a Board member and Treasurer.**

**Arts Enter, Inc. is a 501 (c) (3) not for profit managed and directed by volunteers. Arts Enter has been promoting the fine and performing arts on the Eastern Shore with education, theatre, Drama, musical performances, and arts exhibits for almost 15 years.**

**This valuable resource is facing severe financial challenges that are threatening our very existence. Government grants have nearly dried up. For example these grants (National, State & Local) went from \$88,000 in 2007 to \$8,000 in 2010. Due further to the recession Arts Enter has seen a drop in donations, students for classes and audiences.**

**Arts Enter is taking every possible measure to reduce costs and exploring every avenue of fund raising.**

**How can the Town help? Over the past years the Town has aided Arts Enter through a “Local Government Challenge Grant” given by the Virginia Commission for the Arts. The Commission will match up to \$5,000. In the past the Town has requested \$2,500 - \$5,000 from the Commission for the Arts. Due to Arts Enter’s present situation we respectfully ask that you match \$5,000 for 2011-2012.**

**Are the Arts worth saving? Absolutely!! Here are two major reasons:**

**The arts changes lives and contribute to building a better quality of life!  
Most importantly lifting our spirits and broadening our horizons.**

**The Arts are an economic engine. Nearly 70% of Arts Enter operating funds remain here on the Shore. (example) multiplied 3 fold. Not to mention the benefits other merchants received during art related programs here at the theatre and Gallery. For example, after a show or event at the theatre, patrons move down Mason Avenue to the Coffee House and the Pub.**

**Please help us save your theatre and the fine arts for Cape Charles.**

**Thanks you,**

**Don Clarke, Treasurer Arts Enter**

**P.S. Attached is a mass mailing letter soon to be mailed asking people for pledges.**

**From:** Albert Atkinson [mailto:tomatkinson@verizon.net]  
**Sent:** Thursday, March 03, 2011 1:06 PM  
**To:** heather.arcos@capecharles.org; knunez@co.northampton.va.us  
**Subject:** FW: Tall Ships in Cape Charles

To Whom it may concern,

As a home owner in the Cape Charles Historical District; I can think of no better venue to illustrate the Charm and Hospitality of the region and Cape Charles in particular to the many people who will be visiting, and participating in this event. Hope you and your committees can find favor and economic practicality to seeing that our community is able to participate in OpSail 2012. Your attention and Consideration is most appreciated.

Tom Atkinson  
555 Monroe Ave.  
Cape Charles, VA 23310

\*\*\*\*\*

**From:** Reese Smith Sr. [mailto:reesesr@reesesmithassociates.com]  
**Sent:** Thursday, March 03, 2011 3:46 PM  
**To:** knunez@northampton.va.us.herculesfence.com; heather.arcos@capecharles.org  
**Subject:** tall ships

I am aware of interest in promoting our area by way of attracting one or several of the tall ships to the Cape Charles harbor during the tall ship festival. I also understand that Norfolk would coordinate with Cape Charles in the event's organization and promotion.

Sailing ships, Cape Charles and the Eastern Shore seem to go together, especially considering our early and rich history. Assuming the ships' company and schedulers would find a visit to Cape Charles attractive, I would think participating would generate high quality traffic to the town and surrounding area. This would surely be a positive for our merchants and overall economy.

Please include me as a supporter of the idea.

I. Reese Smith  
Cape Escape  
26130 Lankford Highway  
Capeville

\*\*\*\*\*

**From:** Bill Neville [mailto:bneville41@comcast.net]  
**Sent:** Monday, March 07, 2011 1:45 PM  
**To:** heather.arcos@capecharles.org  
**Subject:** Tall Ships

Cape Charles Town Council.

My name is Bill Neville. I grew up in Cape Charles and am presently a Northampton County property owner. Although I no longer live there I still visit Cape Charles frequently. I am writing in support of Cape Charles' participation in the Tall Ship Initiative.

I believe that inviting tall ships to visit Cape Charles, as once used to happen on occasion when Greg and Laura Lohse were residents, is an excellent means of attracting people to the town and county.

Cape Charles has a perfect location and facilities for this. Tall ships pass Cape Charles frequently en route to Annapolis, Baltimore and other bay ports to participate in races and festivals for which, I would guess, these localities pay a considerable fee.

Offering free overnight berths and a friendly welcome with our own celebration of their visit which could involve music food, etc would be an excellent way to increase tourism. Letting tall ship owners know that they are welcome to stay over whenever they are passing by could create a great tradition and an excellent tourist draw for the town and county.

When people see such an impressive display of a tall ship sailing in, leaving harbor or at dock, even when there is no event planned, they remember it and tell friends. You could not in my mind get any better value in investment dollars than to spent it promoting this type of activity.

As a person who grew up in the area and would like to see it prosper, I urge you to please give serious consideration and support to this endeavor. It can and has been done in the past and I believe this is a great opportunity that we don't want to let go by.

Sincerely,  
Bill Neville  
Princess Anne, Md.

\*\*\*\*\*

**From:** SUSAN KOVACS [mailto:sykovacs@msn.com]  
**Sent:** Monday, March 07, 2011 2:05 PM  
**To:** heather.arcos@capecharles.org  
**Subject:**

TO: CAPE CHARLES TOWN COUNCIL  
FROM: SUSAN KOVACS  
DATE: March 7, 2011

SUBJECT: OPSAIL 2012 AND TALL SHIPS

Dear Members of the Cape Charles Town Council:

I am in receipt of information provided by Mr. David Kabler pertaining to OpSail 2012 and the Tall Ships Economic Development Initiative for Northampton County and her Incorporated Towns. As a citizen and resident of the Eastern Shore I offer my support to the proposed involvement of Cape Charles and Northampton County in these projects.

I had the opportunity to witness first-hand the OpSail experience in 1986, and can vouch for the positive impact it can bring to a community. Our participation in OpSail 2012, along with regular visits from the Tall Ships to Cape Charles harbor would foster not only the growth of economic development through marketing exposure and increased tourism, but would provide an opportunity to expand education in areas of maritime history, of both a National and International nature.

Thank you for your consideration of these important and exciting enterprises.

Sincerely,  
Susan Y. Kovacs  
Machipongo, Va.  
678-7721

\*\*\*\*\*

**From:** Honey Moore [mailto:honey.moore@yahoo.com]  
**Sent:** Tuesday, March 08, 2011 12:20 AM

**To:** heather.arcos@capecharles.org  
**Subject:** Tall Ships

To the Honorable Members of Cape Charles Town Council:

I would love to see the Tall Ships come to Cape Charles! I hope that you will embrace this project.

Most sincerely,

Honey Moore  
Gull Hummock Gourmet Market  
213 Mason Av  
Cape Charles, VA 23310

\*\*\*\*\*

**From:** william akin [mailto:sonnya@cox.net]  
**Sent:** Wednesday, March 09, 2011 2:00 PM  
**To:** heather.arcos@capecharles.org; knunez@co.northampton.va.us  
**Subject:** RE: OPSAIL 2012

To Whom It May Concern:

Having grown up in Cape Charles (1940 – 1954), it is with both pleasure and excitement I wish to whole heartily support the plan put forth by a local resident, and Schooner Captain Dave Kabler, to bring large stately sailing ships (Tall Ships) to Cape Charles harbor and possibly Oyster, and Willis Wharf. In all honesty I cannot think of better way to demonstrate the heritage and quality of The Eastern Shore than to enhance/embrace the tourist aspects of this plan (which quite possibly would lead to economic development) which shows not only the commitment of the governing bodies; but also, the commitment of the people of The Eastern Shore.

Even though I moved from The Eastern Shore in 1954, to this day I consider The Eastern Shore home; and, one way this is demonstrated is the fact my vehicles have Chesapeake Bay and The Eastern Shore tags. I sincerely hope this plan will be accepted by the respective governing bodies and put into place which will allow people from all areas of the east coast to have a chance, including my family and me, to see just what the people of The Eastern Shore, and Cape Charles in particular, can do when offered an opportunity to excel.

Respectfully,

William E. "Sonny" Akin, Jr.

\*\*\*\*\*

**From:** jeanstf1@aol.com [mailto:jeanstf1@aol.com]  
**Sent:** Wednesday, March 09, 2011 8:59 PM  
**To:** heather.arcos@capecharles.org  
**Subject:** Tall ships

Good evening! My husband grew up in Cape Charles and I grew up in Capeville and Oyster. I think it would be a wonderful boost to Cape Charles and the entire Eastern Shore to have tall ships come in there. I believe the ships crews would also like coming there as it's not as busy as over here, Norfolk. Resp. Jean Steffens

\*\*\*\*\*

**From:** Nunn, Eloise C. [mailto:ELOISE.C.NUNN@saic.com]  
**Sent:** Thursday, March 10, 2011 8:29 AM  
**To:** heather.arcos@capecharles.org; knunez@co.northampton.va.us  
**Subject:** RE: Need Your Support for Tall Ships Initiative

To:  
Cape Charles Town Council and Northampton County Board of Supervisors,

I would like to make the recommendation that the Town Council and the Board of Supervisors accept Norfolk's invitation to participate in the **OpSail 2012** and secondly, I recommend supporting a constant effort to bring tall ships into the port of Cape Charles as soon as possible at anytime of the year for an indefinite duration. I believe that this would boost revenue by tourism and possible new employment for residents of the Eastern Shore of Virginia.

I am a native of the Eastern Shore and grew up in Capeville, Virginia. My two brothers still live there John and Jeffrey Culver and a first cousin Nancy Richardson. I am still very much connected to the shore and only would like to see good things come it's way.

Thank you for your consideration,

Eloise Culver Nunn

\*\*\*\*\*



Xenophon Press  
7518 Bayside Road  
Franktown, VA 23354-2106 USA  
www.XenophonPress.com  
e-mail: xenophonpress@gmail.com

Heather Arcos

Town Administrator

2 Plum Street

Cape Charles, Va. 23310

Dear Heather,

I wholeheartedly support David Kabler's initiative to include Cape Charles as a destination for the Tall Ships Op Sail 2012 Virginia. I fully appreciate David's willingness to spearhead the project of further encouraging frequent Tall Ship visits over the next several years.

With Cape Charles' deep water, renovated harbor and our charming downtown area, this opportunity could bring in thousands of tourists. Every business in Cape Charles and beyond would benefit economically. This will provide a much needed boost to the economic development of Cape Charles and the Eastern Shore.

As a board member of Arts Enter, the home of the Historic Palace Theatre and The Stage Door Gallery, I am in support of planning concurrent Arts Enter events during future Tall Ship visits.

I encourage the County to support David and his interest in the Tall Ships. The potential benefit to tourism and commerce is vital for our economic revival.

Richard F. Williams  
Xenophon Press

# Arts Enter Cape Charles, Inc.

## Historic Palace Theatre



### BOARD OF DIRECTORS

CLELIA SHEPPARD  
PRESIDENT  
EXECUTIVE DIRECTOR

MARY ANN ROEHM  
ASSISTANT DIRECTOR

DON CLARKE  
TREASURER

SHEILA CARDANO  
ARTISTIC DIRECTOR

VICTOR ABRAHAMIAN

PAT BARNES

KEITH DODSON

LUISA GAZZOLO

GEORGE HOLMES

KAREN KOLET

SUSAN LINFERT

THOMAS O'CONNOR

ELLEN MOORE

RICHARD WILLIAMS

#### HONORARY MEMBER:

BILL BURTON  
EDYTHE OUTTEN  
VIRGINIA SAVAGE  
ARTHUR TROSS  
JACK WHITE  
JACK WOOLLEY

March 9, 2011

Ms. Heather Arcos  
Town Administrator of Cape Charles  
2 Plum Street  
Cape Charles, Va. 23310

Dear Heather,

It is with wonderful enthusiasm that we endorse David Kabler's initiative to include Cape Charles as a destination for the Tall Ships Op Sail 2012 Virginia. We further welcome David's willingness to spearhead the project of further encouraging frequent Tall Ship visits over the next several years.

With our deep water, renovated harbor and our charming downtown area, this opportunity could bring thousands of tourists from around the region. Every business in Cape Charles would benefit. This could be a critical moment in the economic development of our town. Hopefully, it is an idea that every citizen will embrace.

We, at Arts Enter, the home of the Historic Palace Theatre and The Stage Door Gallery are more than willing to plan concurrent events during future Tall Ship visits.

We encourage the County to support David and his interest in the Tall Ships. The potential benefit to tourism and commerce is enormous.

Yours in art,

Clelia Sheppard  
Don Clarke  
Mary Ann Roehm

ARTS ENTER - OFFICE  
P.O. Box 226  
Cape Charles, Virginia 23310  
Phone: (757) 331-ARTS (2787)  
Fax: (757) 331-1999

STAGE DOOR GALLERY  
10 Strawberry Street  
Cape Charles, Virginia 23310  
Phone: (757) 331-3669

HISTORIC PALACE THEATRE  
305 Mason Avenue  
Cape Charles, Virginia 23310

Arts Enter Cape Charles | [www.artsentercapecharles.org](http://www.artsentercapecharles.org) | 757.331.2787  
*Arts Enter Cape Charles, Inc. is a non-profit organization.*