



**TOWN COUNCIL**  
**Regular Meeting**  
**Civic Center**  
**September 18, 2014**  
**Immediately Following Public Hearing**

At approximately 6:15 p.m. Mayor George Proto, having established a quorum, called to order the Regular Meeting of the Town Council. In addition to Mayor Proto, present were Vice Mayor Bannon, Councilmen Bennett, Brown, Godwin, Wendell and Councilwoman Natali. Also in attendance were Interim Town Manager Bob Panek, and Town Clerk Libby Hume. The majority of the Department Heads were in attendance as well as 18 members of the public.

A moment of silence was observed and was followed by the recitation of the Pledge of Allegiance.

**PUBLIC COMMENTS:**

*Meredith Restein, owner of Moonrise Jewelry on Strawberry Street*

Ms. Restein addressed the Town Council regarding the sign ordinance and requested that the Council consider the temporary suspension of enforcement of off-premise signs until a way-finding sign could be constructed. The sandwich board-type signs that were placed at the corner of Mason Avenue and Strawberry Street did not pose a hazard to vehicular traffic or pedestrians and attracted a lot of foot traffic for her business.

*Suzanne Golibart, owner of Periwinkles on Strawberry Street*

Ms. Golibart also addressed the Town Council requesting the temporary suspension of enforcement of off-premise signs until another solution could be found. Ms. Golibart had polled her customers regarding how they found her store and 75% of the customers stated that they saw the sandwich board sign on the corner of Mason Avenue.

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

**RECOGNITION OF VISITORS / PRESENTATIONS**

A. *Joan Prescott and Dave Steward, Eastern Shore Eventacular, Inc.*

Ms. Prescott, President of Eastern Shore Eventacular, Inc., announced that the organization received a notice from the IRS granting them 501c3 status which would help with their fundraising efforts and their ability to obtain grants. Eastern Shore Eventacular, Inc. was founded by a group of other organizations, including the Cape Charles Business Association (CCBA), Bay Creek, and the Northampton County Chamber of Commerce, and the Town had two delegates on the Board, Recreation Coordinator Jen Lewis and Councilwoman Joan Natali. Mayor Proto added that there were two members from the CCBA on the Board as well. Ms. Prescott introduced Dave Steward, Executive Director of Eventacular, Inc. and Chairman of the Tall Ships at Cape Charles who presented the summary impact report on Tall Ships at Cape Charles which was held on June 14-15, 2014. (Please see attached.)

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

Mayor Proto stated that Jen Lewis asked that her report be moved to the beginning of the Department Reports since she had an activity scheduled.

**Mayor Proto asked if anyone had any objections to the proposed changes in the agenda. Hearing no objections, the agenda format was approved as modified by unanimous consent.**

**CONSENT AGENDA – APPROVAL OF MINUTES:**

The Town Council reviewed the minutes of the August 21, 2014 Regular Meeting, the August 21, 2014 Executive Session, the September 4, 2014 Work Session and the September 11, 2014 Work Session.

**Motion made by Vice Mayor Bannon, seconded by Councilwoman Natali, to approve the minutes from the August 21, 2014 Regular Meeting, the August 21, 2014 Executive Session, the September 4, 2014 Work Session and the September 11, 2014 Work Session as presented. The motion was approved by unanimous consent.**

**DEPARTMENT REPORTS:**

H. *Recreation Department:*

Recreation/Community Events Coordinator Jen Lewis stated that she, Town Clerk Libby Hume and Assistant Town Clerk Amanda Hurley met and drafted a Use of Facility Form and Rules and Regulations for the Civic Center. A copy of the form was distributed to the Council for their review with a request to notify Libby Hume or herself of any comments or recommended changes.

A. *Treasurer's Report:*

Accountant Jerry Murphy reviewed the Treasurer's report dated August 31, 2014 which showed the Total Cash on Hand of \$998,750, the Total Cash Held in Reserve was \$1,366,105 and the Total Cash – All Accounts was \$2,364,855. Jerry Murphy went on to review the Debt Service, Credit Card Fees, Revenue vs. Expenditures, the Capital Improvement Projects, the 2013 Real Estate Tax Collections, the Year-to-Date (YTD) 2013 Personal Property Tax, Machinery and Tools Tax and 2014 License Tax Collections, the YTD Prior Year Real Estate Tax, Personal Property Tax, Interest and Penalty Collections, and the 3-Year Revenue Comparison Graph.

Councilman Bennett asked that the projected date of contract award be added to the Capital Improvement Projects Report.

**Motion made by Councilman Brown, seconded by Councilman Bennett, to accept the Treasurer's Report as submitted. The motion was approved by unanimous consent.**

B. *Planning Commission and Boards:*

Town Planner Rob Testerman reported the following: i) The Army Corps of Engineers Harbor upland site cleanup for the dredging project was expected to go out to bid next week; ii) The Planning Commission Comprehensive Plan Work Session scheduled for September 22<sup>nd</sup> was cancelled due to a conflict in Elaine Meil's schedule; iii) A Town Council and Planning Commission Joint Work Session was scheduled for September 25<sup>th</sup> regarding the proposed chicken ordinance; iv) The Planning Commission continued discussion on the proposed Tourism Zone and would be reviewing draft language at their October 7<sup>th</sup> meeting; and v) The Historic District Review Board met on September 16<sup>th</sup> and approved a new home on Jefferson Avenue and a renovation for 9 and 11 Monroe Avenue.

Councilman Bennett asked about the status of the Harbor Access Road. Rob Testerman stated that he had not received any new information from VDOT. Interim Town Manager Bob Panek added that VDOT was currently performing staff work.

C. *Code Enforcement:*

Code Official Jeb Brady reported that he received a Building and Zoning Activity Report from Northampton County comparing construction activity during the first 8 months of 2014 to the same period in 2013. The report showed the construction in the County being down 39% overall whereas the construction within the Town had increased 183% overall.

D. *Town Harbor:*

Harbor Master Smitty Dize reported the following: i) The Fuel Service contract was put out to bid last week with a submittal deadline of October 3, 2014. The item would be brought to Council for contract award at the October 16<sup>th</sup> meeting; ii) The El Galeon Andalucia was in port earlier in September and had about 100-150 visitors while it was here. The crew hoped to be back in Town sometime next year; and iii) Jon Dempster was holding a music festival by The Shanty on September 27<sup>th</sup>. He had booked 8 bands and was expecting around 500 people. Tickets were \$15 in advance and \$20-at the door.

E. *Cape Charles Memorial Library:*

Librarian Ann Rutledge was not in attendance.

F. *Police Department:*

Police Chief Jim Pruitt reported the following: i) Officer Jake Leuer completed his field training; and ii) A new officer, Tom Potts, was hired and would be starting next week. He previously worked for the Town of Exmore; most recently worked for the Town of Eastville, and had 20+ years of experience.

G. *Public Utilities/Public Works Departments:*

Public Utilities/Public Works Director Dave Fauber reported that staff looked at about 20 of the worst manholes in Town after the heavy amounts of rain received over the last weeks and found 5 manholes with infiltration issues which was promising. He expected to start the manhole project in October or November. He was currently reviewing products from a number of companies.

Councilman Bennett noted the number of gallons in production for the water and wastewater plants adding that it was unusual for the wastewater production to be higher than the water plant. Dave Fauber stated that he felt the increase was due to the heavy amounts of rain over the last few weeks.

## **OLD BUSINESS**

A. *PSA/Regional Wastewater – Negotiation of Processing Agreement*

Interim Town Manager Bob Panek stated that Council held a work session on September 11, 2014 and discussed the updated treatment costs and aspects of an agreement in detail. A consensus was reached among a majority of Council regarding cost, elements of an agreement, and goals to be achieved in negotiating an agreement. Bob Panek stated that at the PSA Board meeting on September 16<sup>th</sup>, the engineers provided a revised cost estimate of \$2.7M which was an increase from \$1.8M as previously discussed. The PSA Board members would continue discussions with the engineers regarding the reasons for the cost increase. Council reviewed a proposed motion outlining the discussions from the work session.

**Motion made by Vice Mayor Bannon seconded by Councilman Godwin, to authorize the Cape Charles representatives to the PSA subcommittee to proceed to negotiate the terms of an agreement to provide wastewater treatment services under the following guidelines: i) price of \$0.015 per gallon; ii) elements of an agreement to include but not be limited to: scope of services, sewer use regulations, maximum volume and adjustment, price of services, procedure to adjust prices, billing and payment for services, facility fees, term of agreement, and termination procedures; iii) should an agreement on treatment price appear probable, include other services such as meter reading, pump station maintenance, etc. that would further offset Cape Charles' fixed costs; and iv) goals of promoting economic development mutually beneficial to both the Town and the County guided by a new County zoning overlay district on US 13 and SR 184 including processes by which the Town may influence future development in the district, reducing the Town wastewater bill by the maximum amount consistent with an acceptable price for services to the PSA, and preparing financially for future wastewater and water infrastructure expansion. A negotiated agreement would be**

**brought back to Council for review. The motion was approved by majority vote with Councilman Wendell opposed.**

*B. Cape Charles Community Trail – Phase 2*

Bob Panek stated that Land Studio, PC, submitted the 100% design documentation, including the bid package, to VDOT for review on May 1, 2014 and was close to obtaining VDOT approval. The Threatened and Endangered Species update was the last significant step before requesting VDOT approval to advertise for construction bids, but Land Studio would have to subcontract the effort to a consultant having access to the appropriate agency databases. A contract change order not to exceed \$2K had been proposed. December 1, 2014 was the projected date to bid the project. The project cost estimate was \$1.57M, including design, engineering, construction, administration and inspection. The Federal share was \$1.26M and the Town share was \$0.31M, which was within the funding budgeted for Fiscal Years 2013 through 2015.

**Motion made by Councilman Brown, seconded by Vice Mayor Bannon, to authorize the Interim Town Manager to execute the change order as discussed. The motion was approved by unanimous consent.**

*C. Town Code Modifications – Commercial Connection Charges*

Bob Panek stated that the Town Council had reviewed this issue at several work sessions and a public hearing was held earlier this evening on the proposed ordinance and no comments were heard.

At the last meeting, Council had requested alternates in the formula to show discount factors of 50% and 60%. Council could opt for one of the alternate calculations without having to schedule another public hearing since the final amount would be a lesser amount than advertised.

Council reviewed the proposed modifications to Town Code Sections 70-35 and 71-42.

**Motion made by Councilman Brown, seconded by Vice Mayor Bannon, to adopt Ordinance 20140918 Revising Water and Sewer Connection Charges. Mayor Proto moved for adoption of Ordinance 20140918 as noticed and forewent reading of the ordinance. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Brown, yes; Godwin, yes; Natali, yes; Wendell, yes.**

**NEW BUSINESS:**

*A. Constitution Week Proclamation*

Bob Panek stated that Constitution Week was an American observance to commemorate the adoption of the United States Constitution and the observance ran annually from September 17 to September 23. The Town adopted a proclamation each year acknowledging Constitution Week. This year marked the 227<sup>th</sup> anniversary of the actual signing of the Constitution.

**Motion made by Councilman Godwin, seconded by Councilwoman Natali, to adopt Proclamation 20140918 Designating September 17-23, 2014 as Constitution Week in the Town of Cape Charles. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Brown, yes; Godwin, yes; Natali, yes; Wendell, yes.**

*B. Off-Premise Sign Regulations – Schedule Public Hearing*

Rob Testerman stated that in the current sign regulations an “off-premise sign” was defined as a billboard which was prohibited in the Town. By definition, the sandwich board type signs advertising the businesses on Strawberry Street were considered billboards. Without these signs, businesses on side streets, such as Strawberry, Peach and Nectarine, got overlooked by visitors as the shops were not as visible as those on Mason Avenue. Rob Testerman stated that he did not think the Town intended a hardship for businesses located on the side streets. Previously, there had been discussion regarding the installation of a way-finding sign near the

intersection of Mason Avenue and Strawberry Street to draw attention to, and point visitors in the direction of the additional shops in Town. Staff was revisiting the possibility of having such a sign installed. In order to enforce the regulations, and at the same time avoid negatively impacting businesses in Town, Town Council could temporarily suspend a portion of the sign regulations until such time that a way-finding sign was constructed or the sign regulations were revisited. The businesses on the side streets would be permitted to place their portable signs to attract foot traffic of customers who might otherwise not realize the businesses were there. The signs would be limited to ten square feet in area and business owners would be required to remove the signs at the end of each business day. A public hearing must be held prior to any changes being made to the zoning ordinance.

Council was satisfied with the language of the proposed ordinance except for the distance limitation which would be revised by staff.

**Motion made by Councilman Bennett, seconded by Councilman Brown, to schedule a public hearing on October 16, 2014 preceding the regular meeting to hear comments regarding the proposed temporary suspension of certain regulations contained in Cape Charles Zoning Ordinance Section 4.1.-Sign Regulations. The motion was approved by unanimous consent.**

Discussion continued regarding this issue with several members of Council concerned that the October meeting would be too late. It was noted that the Eastern Shore Birding & Wildlife Festival and Fall Festival were scheduled to begin October 10<sup>th</sup> and it would benefit these businesses to be able to place their signage on Mason Avenue.

**Motion made by Vice Mayor Bannon, seconded by Councilman Wendell, to schedule the public hearing on October 9, 2014, followed by a special meeting to discuss any comments heard and vote on the proposed temporary suspension of certain regulations in the sign regulations. The motion was approved by unanimous consent.**

C. *Backyard Chicken Ordinance – Schedule Public Hearing*

Rob Testerman stated that, by direction of the Town Council, the Planning Commission had been discussing the potential for a backyard chicken ordinance, which, if approved, would allow property owners to raise a certain number of hens on their residential property. At their September 2, 2014 meeting, the Commissioners approved a motion to schedule a joint public hearing with the Town Council on October 7, 2014. Since this issue was extensively examined by the Commissioners, staff recommended that the Town Council and Planning Commission hold a joint work session on September 25, 2014, prior to the public hearing, in order to give Council a more detailed background of how the draft language evolved. The Planning Commission would review comments heard at the joint public hearing and make their recommendation to Town Council for review at the October 16<sup>th</sup> Town Council meeting.

**Motion made by Councilwoman Natali, seconded by Councilman Godwin, to schedule a joint public hearing for October 7, 2014 to hear comments regarding the draft Backyard Chicken Ordinance. The motion was approved by unanimous consent.**

D. *Shore Bank Line of Credit Renewal*

Bob Panek stated that since 2011, the Town had maintained a \$500K line of credit with Shore Bank for working capital. Shore Bank recently approved the renewal of the Town's line of credit with the following terms: i) \$500K unsecured; ii) \$250 loan document preparation fee; iii) variable interest rate at Prime plus 0.5%, with a floor of 3.75%; iv) repayment on a monthly basis, with the requirement that a zero balance be maintained for a period of no less than 30 consecutive days during each 12-month period; v) annual review by Shore Bank; and vi) no prepayment penalty. In order to proceed with the renewal, Council must adopt a resolution authorizing the renewal.

**Motion made by Councilman Bennett, seconded by Vice Mayor Bannon, to adopt Resolution 20140918 Authorizing the Renewal of the Line of Credit with Shore Bank. Mayor Proto moved for adoption of Resolution 20140918 as noticed and forewent reading of the resolution. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Brown, yes; Godwin, yes; Natali, yes; Wendell, yes.**

E. *Charter Cable Franchise Assignment*

Bob Panek stated that in 2001, Council granted, by Ordinance 04-01, a non-exclusive franchise to Falcon Media Cable dba Charter Communications. Following Comcast Corporation's acquisition of Time Warner Cable, Comcast would exchange cable systems serving approximately 3.1 million customers with Charter Communications. Comcast requested the Town's consent to assign the Charter franchise to CCO Transfers, LLC which would immediately become a Comcast wholly-owned subsidiary. Under Ordinance 04-01, the franchise could not be assigned without obtaining expressed written consent of the Town Council. A resolution must be adopted consenting to the franchise assignment.

**Motion made by Councilman Brown, seconded by Councilwoman Natali, to adopt Resolution 20140918A Transfer Consent. Mayor Proto moved for adoption of Resolution 20140918A as noticed and forewent reading of the resolution. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Brown, yes; Godwin, yes; Natali, yes; Wendell, yes.**

F. *Law Enforcement Mutual Aid Agreement*

Chief Pruitt stated that the Cape Charles Police Department and Northampton County Sheriff's office occasionally assisted each other on various calls for service. On April 24, 2012, a Law Enforcement Mutual Aid Agreement was signed by the Town under former Police Chief Charles Brown. With Chief Brown's retirement and the subsequent appointment of Chief Jim Pruitt, Sheriff David Doughty requested a new agreement be signed. Commonwealth Attorney Bruce Jones advised that a resolution be adopted due to a recent issue with an Exmore traffic case.

There was much discussion regarding the need for a new mutual aid agreement. It was noted that a resolution had not been adopted prior to the signing of the current agreement.

**Motion made by Vice Mayor Bannon, seconded by Councilman Bennett, to adopt Resolution 20140918B Law Enforcement Mutual Aid Agreement to execute the new Law Enforcement Mutual Aid Agreement with Northampton County. Mayor Proto moved for adoption of Resolution 20140918B as noticed and forewent reading of the resolution. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Brown, yes; Godwin, yes; Natali, yes; Wendell, yes.**

**MAYOR AND COUNCIL COMMENTS**

Mayor Proto began by wishing Councilman Brown a happy birthday and continued to state that each Council member would have 5 minutes for comments only, no debate and proceeded to go around the table opening the floor to each member of Council.

Vice Mayor Bannon, Councilman Godwin and Councilwoman Natali stated that they did not have any further comments to make.

Councilman Wendell commented as follows: i) He expressed his concern regarding the cost increase for the PSA project from \$1.8M to \$2.7M adding that it was a harbinger of things to come and that he still felt that the project was unwise and not in conformance with the Town or County's Comprehensive Plans; ii) He was looking forward to the workshop on the chicken ordinance; and iii) Mayor Proto did a good job in conducting this evening's meeting.

Councilman Brown thanked the Mayor and Council for the birthday wishes.

Councilman Bennett stated that he did not have any further comments.

Mayor Proto commented as follows: i) He began holding Office Hours on the second and fourth Tuesdays of each month. The hours were 2:00 PM – 4:00 PM on the second Tuesdays and 6:00 PM – 8:00 PM on the fourth Tuesdays; ii) His first Town Hall meeting was held on Saturday, September 13<sup>th</sup>. Eight people attended. A summary would be published in the next Gazette; and iii) He would be rotating the giving of the invocations for future meetings between Council members. If a Council member did not want to give an invocation, they could have everyone observe a moment a silence.

**ANNOUNCEMENTS**

- October 2, 2014 – Town Council Work Session, 6:00 PM, tentative.
- October 7, 2014 – Joint Public Hearing with Planning Commission, 6:00 PM.
- October 9, 2014 – Town Council Public Hearing and Special Meeting, 6:00 PM.
- October 10-11, 2014 – Birding & Wildlife Festival.
- October 11, 2014 – Fall Festival.
- October 11, 2014 – Friends of the Cape Charles Memorial Library Book Sale.
- October 13, 2014 – Town offices closed in observance of Columbus Day.
- October 16, 2014 – Town Council Regular Meeting.

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

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Mayor Proto

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Town Clerk



## TALL SHIPS AT CAPE CHARLES June 14-15, 2014

### SUMMARY IMPACT REPORT

September, 2014



### Tall Ships At Cape Charles June 2014 Impact



#### Overview

- Two tall ships over four days
  - Kalmar Nyckel
  - Privateer Lynx
- Three tall ships over two days
  - Kalmar Nyckel
  - Privateer Lynx
  - Serenity (Saturday & Sunday only)
- Pirate Re-enactors/School Saturday & Sunday
- Youth activities
  - Educational tours aboard Kalmar Nyckel
- Seven food vendors
- Eight non-profit organizations
- Thirty-one crafts vendors
- Ten bands/Musicians for Saturday & Sunday



Tall Ships At Cape Charles  
June 2014  
Impact



Marketing

- CBBT handouts (100,000)
- Rack cards and posters
- Web site revised and provided multi-functional use
- Weekly news releases

Attendance

- 5,000 + by head and parking counts (2,500 p/d)
- \$5,500 deck tour receipts
- Town Harbor full
- In Town hotel, B&Bs full
- Campgrounds nearly full
- Shops and restaurants in Town report excellent business



Tall Ships At Cape Charles  
June 2014  
Impact

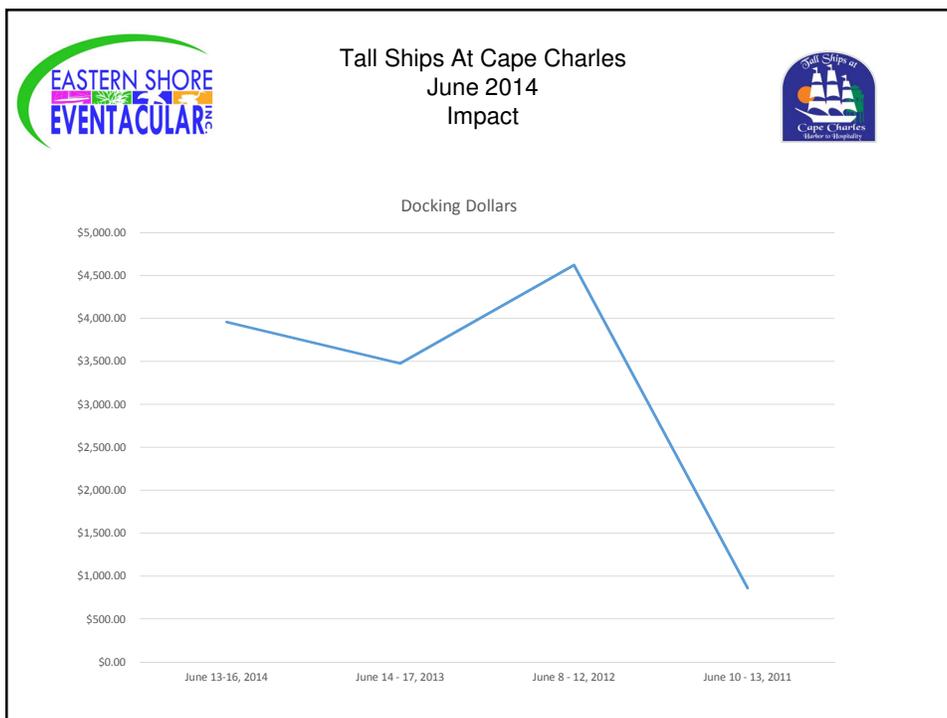
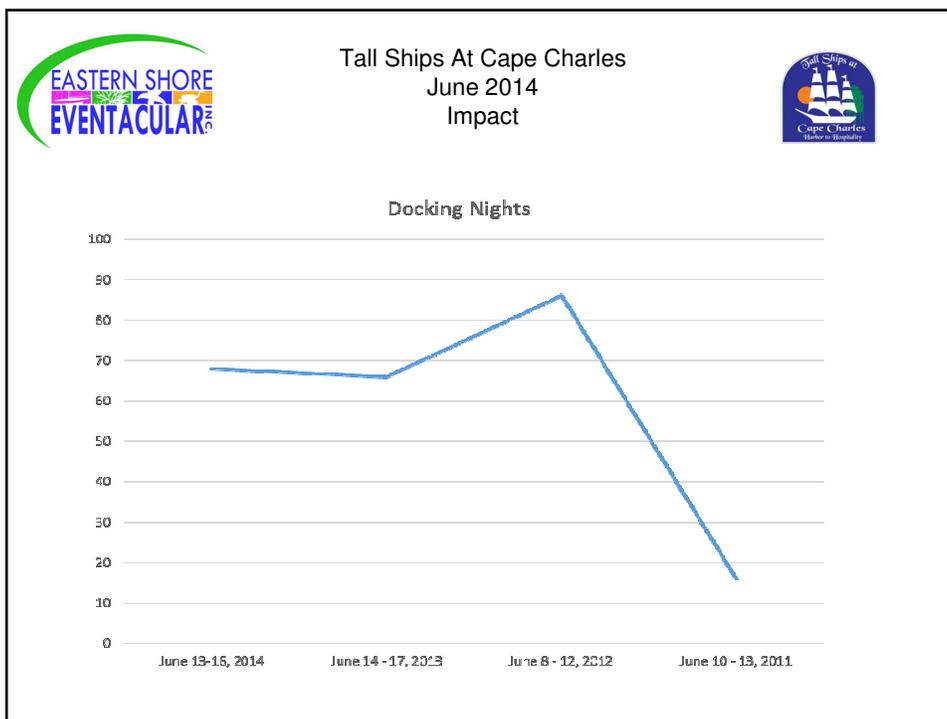


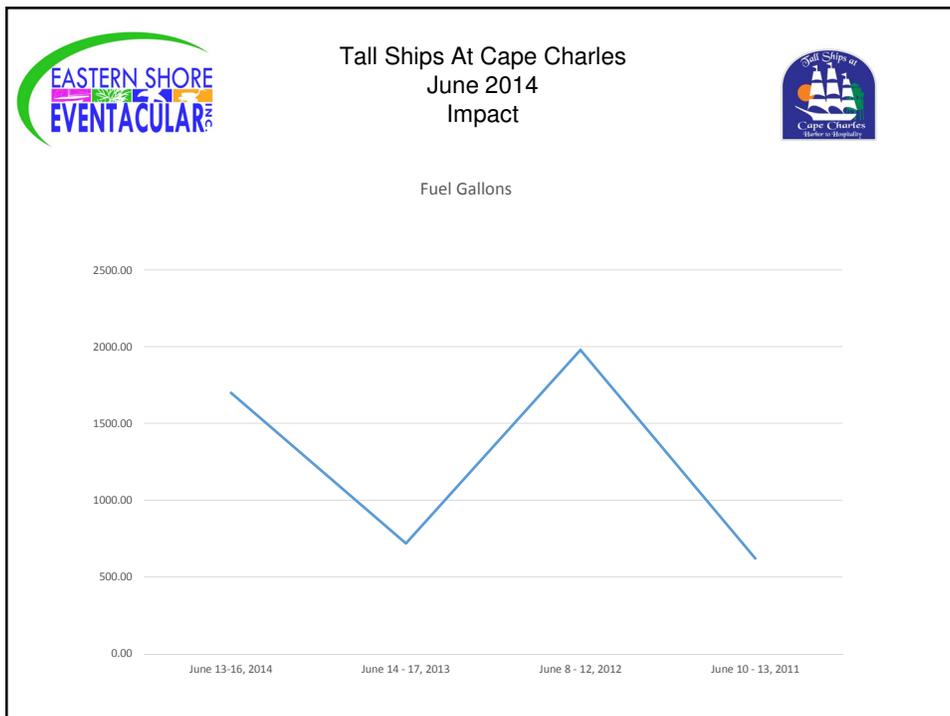
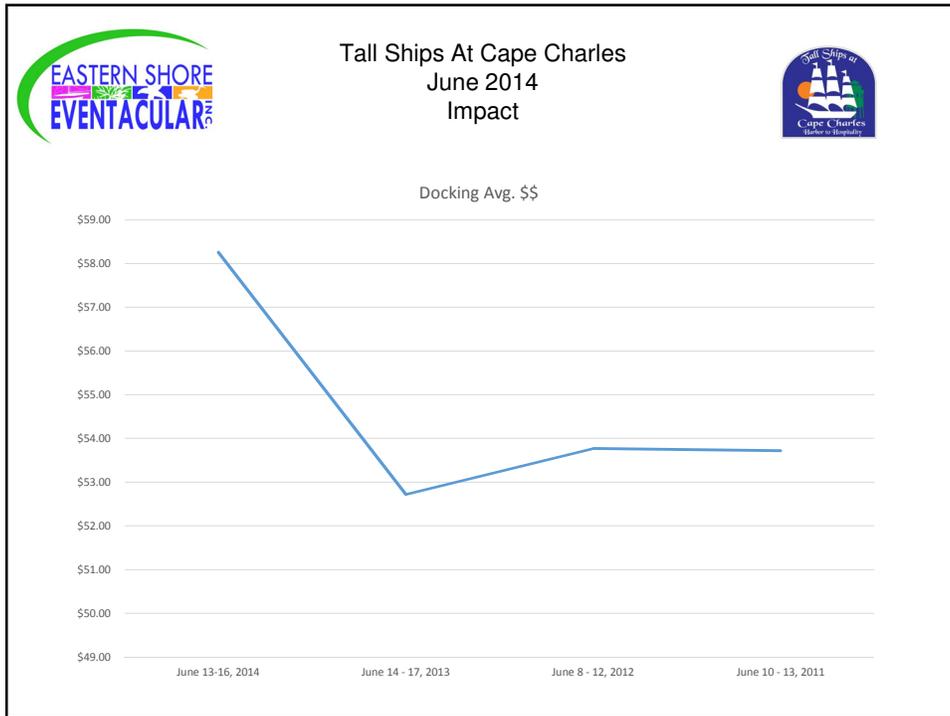
Operations

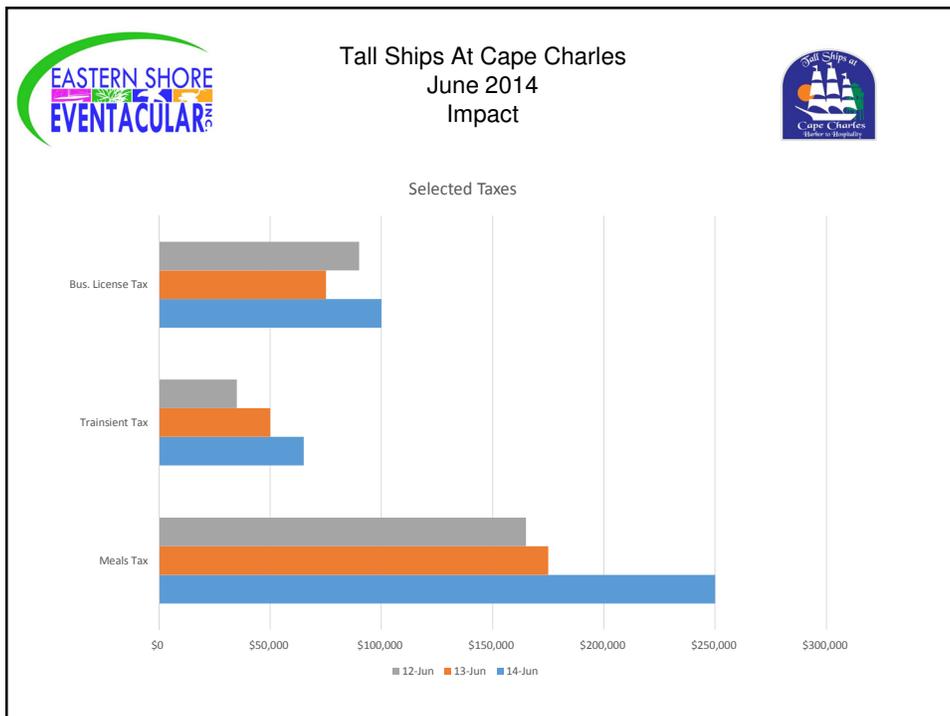
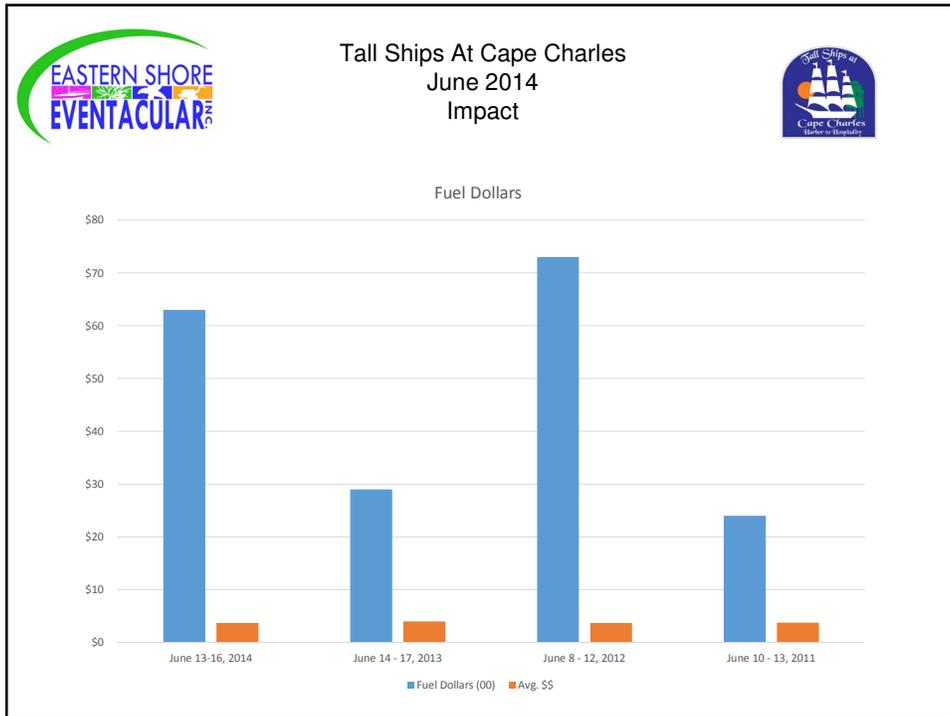
- Day sails booked by each vessel over four days
- Deck tours 6 hours each day for Saturday & Sunday
  - 2,000 + people toured the decks
- Food court created as a convenience for our patrons
  - Bands setup within the court for all to enjoy
- Parking appeared to be more dispersed this year
  - Mason Ave. to the harbor better utilized
- More square footage of grounds utilized than in the past

Harbor

- (Harbormaster report)









Tall Ships At Cape Charles  
June 2014  
Appreciation



**Observations**

- Third year suggests a foot-hold on this event with our visitors, crafters and the boating community.
- Better business community/organization occurring.
- This event holds promise for Cape Charles and the County as its popularity continues to spread.

**2015 – The 4<sup>th</sup> Annual Tall Ships At Cape Charles**

- Plans underway now for a June 13 & 14 event.
- Discussions about several new venues scheduled
- Many thanks go out to Bay Coast Rail Road for their generous donation of land.
- Additional thanks to Smitty and his crew for their continued support at the harbor.
- Public Works is due a warm thanks for what Pete and his crew do.
- We appreciate the support from the town and the Chief of Police, Jim Pruitt as well as the County Sheriff's office and our EMS personnel.

**MUNICIPAL CORPORATION OF CAPE CHARLES**  
**TREASURER'S REPORT**  
**August 31, 2014**

**CASH POSITION**

<b>Cash on Hand</b>	<b>7/31/2014</b>	<b>8/31/2014</b>	<b>Increase/(Decrease)</b>
Shore Bank Checking Account	\$596,157	\$399,414	(196,743)
LGIP Account 1 - Unrestricted	\$97,357	\$97,365	8
LGIP Account 2 - Unrestricted	\$501,927	\$501,970	44
<b>Total Cash On Hand</b>	<b>\$ 1,195,441</b>	<b>\$ 998,750</b>	<b>\$ (196,691)</b>

<b>Restricted and Reserved Cash Balance</b>	<b>7/31/2014</b>	<b>8/31/2014</b>	<b>Increase/(Decrease)</b>
Shore Bank Checking Account - Facility Fees Reserved (Utilities)	\$96,597	\$138,997	42,400
Shore Bank Savings Account - Police Funds	\$1,231	\$1,231	0
LGIP Account 2 - Restricted for USDA loans	\$7,483	\$7,483	0
PNC Account- 2013 Bond Proceeds - Principal	\$958,993	\$959,956	963
PNC Account- 2013 Bond Proceeds - Interest	\$854	\$854	0
US Bank - Reserved per VRA Interest Free Loan Requirements	\$257,584	\$257,585	1
<b>Total Cash Held in Reserve</b>	<b>\$ 1,322,741</b>	<b>\$ 1,366,105</b>	<b>\$ 43,364</b>

<b>Total Cash - All Accounts</b>	<b>\$ 2,518,182</b>	<b>\$ 2,364,855</b>	<b>\$ (153,327)</b>
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**DEBT SERVICE**

<b><u>Next Debt Service Payments:</u></b>	<b><u>Due Date</u></b>	<b><u>Amount</u></b>
2011 Dodge Charger-final payment	9/26/2014	\$6,429.06

**CREDIT CARD FEES**

<b><u>General Fund Tax and Utility Credit Card Payment Receipts</u></b>	<b><u>MTD</u></b>	<b><u>YTD</u></b>
Credit Card Payments Received	\$12,927.27	\$28,159.92
Credit Card Fees Paid	\$402.96	\$921.17
<b>Fees as a Percent of Collections</b>	<b>3.12%</b>	<b>3.27%</b>

## REVENUE VS. EXPENDITURES

FUND	CURRENT MONTH	PRIOR YEAR-TO-DATE	CURRENT YEAR-TO-DATE	INCREASE/ (DECREASE) YTD	ANNUAL BUDGET	% REALIZED/ EXPENDED FY14
<b>GENERAL</b>						
REVENUES	186,626	260,273	263,458	3,184	3,707,715	7.11%
EXPENDED	132,700	298,140	366,644	68,504	3,707,715	9.89%
NET	53,926	(37,867)	(103,186)		0	
<b>PUBLIC UTILITIES</b>						
REVENUES	147,576	510,555	307,180	(203,375)	1,648,921	18.63%
EXPENDED	126,604	205,256	239,968	34,711	1,648,921	14.55%
NET	20,972	305,298	67,212		0	
<b>HARBOR</b>						
REVENUES	163,597	307,476	301,229	(6,248)	1,157,987	26.01%
EXPENDED	77,335	184,333	226,083	41,749	1,157,987	19.52%
NET	86,262	123,143	75,146		0	
<b>SANITATION</b>						
REVENUES	14,115	30,311	29,674	(637)	171,800	17.27%
EXPENDED	13,586	13,783	13,740	(44)	171,800	8.00%
NET	529	16,528	15,934		0	

## FY 2015 Capital Improvement Project Tracking Report

As of:	#REF!	FY15 Budgeted	FY15 QTR 1 Actual Expended	FY15 QTR 1 Actual Expended	FY15 QTR 1 Actual Expended	FY15 QTR 1 Actual Expended	FY15 YTD Actual Unaudited
General Fund							
	Dump Truck	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Cape Chas Multi-Use Trail Phase 2	\$ 1,570,000	\$ 24	\$ -	\$ -	\$ -	\$ 24
	Library Building HVAC	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Furniture and Equip - Civic Center	\$ 18,925	\$ 15,026	\$ -	\$ -	\$ -	\$ 15,026
	New Phone System	\$ 11,213	\$ -	\$ -	\$ -	\$ -	\$ -
	Replacement Police Vehicle	\$ 23,200	\$ -	\$ -	\$ -	\$ -	\$ -
	Shore Scan Products	\$ 8,200	\$ 5,030	\$ -	\$ -	\$ -	\$ 5,030
	Pine Street Parking Design & Construction Plans	\$ 10,000	\$ 1,273	\$ -	\$ -	\$ -	\$ 1,273
	<i>subtotal</i>	<b>\$ 1,681,538</b>	<b>\$ 21,353</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,353</b>
Water Fund		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Keck wells Engineering & Construction	\$ 60,000	\$ 7,995	\$ -	\$ -	\$ -	\$ -
	Automatic Flush (1/5)	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Truck (48%)	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>subtotal</i>	<b>\$ 77,500</b>	<b>\$ 7,995</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Sewer Fund							
	Truck (52%)	\$ 8,100	\$ -	\$ -	\$ -	\$ -	\$ -
	Pump Station Redesign Engineering	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Manholes	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
	<i>subtotal</i>	<b>\$ 138,100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL</b>		<b>\$ 1,897,138</b>	<b>\$ 29,348</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,353</b>

**MUNICIPAL CORPORATION OF CAPE CHARLES**  
**August 31, 2014**

**YTD 2013 Real Estate Tax Collections December 2013-August 2014**

Total Land Value	\$	206,709,800	
Total Improvement Value	\$	<u>203,219,700</u>	
<b>Total Real Estate Value</b>	<b>\$</b>	<b>409,929,500</b>	
<b>as of 8/31/14</b>			
Total Budgeted	\$	1,073,856	
Total Bills Mailed	\$	1,140,276	
Total Collected	\$	<u>1,077,526</u>	94%
<b>Amount Due</b>	<b>\$</b>	<b>62,750</b>	

**YTD 2013 Personal Property Tax, Machinery and Tools Tax, & 2014 License Tax Collections December 2013-August 2014**

<b>Total Personal Property Value</b>	<b>\$</b>	<b>13,783,200</b>	
<b>as of 8/31/14</b>			
Total Budgeted FY14	\$	160,000	
Total Bills Mailed	\$	162,208	
Total Adjustments (will increase)	\$	(2,351)	
Total Collected	\$	<u>128,943</u>	79%
<b>Amount Due</b>	<b>\$</b>	<b>30,913</b>	

**FY 2015 YTD Prior Year Real Estate Tax, Personal Property Tax, Interest and Penalty Collections**

<b>as of 8/31/14</b>			
Total Budgeted FY 2015	\$	85,000	
Total Collected	\$	<u>24,302</u>	29%
<b>Amount Due</b>	<b>\$</b>	<b>60,698</b>	

# Three Year Revenue Comparison

Penalty & Interest - Miscellaneous Taxes

Short Term Rental Tax

Meals Tax

Transient Occupancy Tax 3%

Admission Taxes

Business License Tax

Electric, Gas & Telephone

Consumer Utility Taxes

Penalties & Interest - All Property Taxes

Machinery & Tools

Golf Cart Decals

License Tax

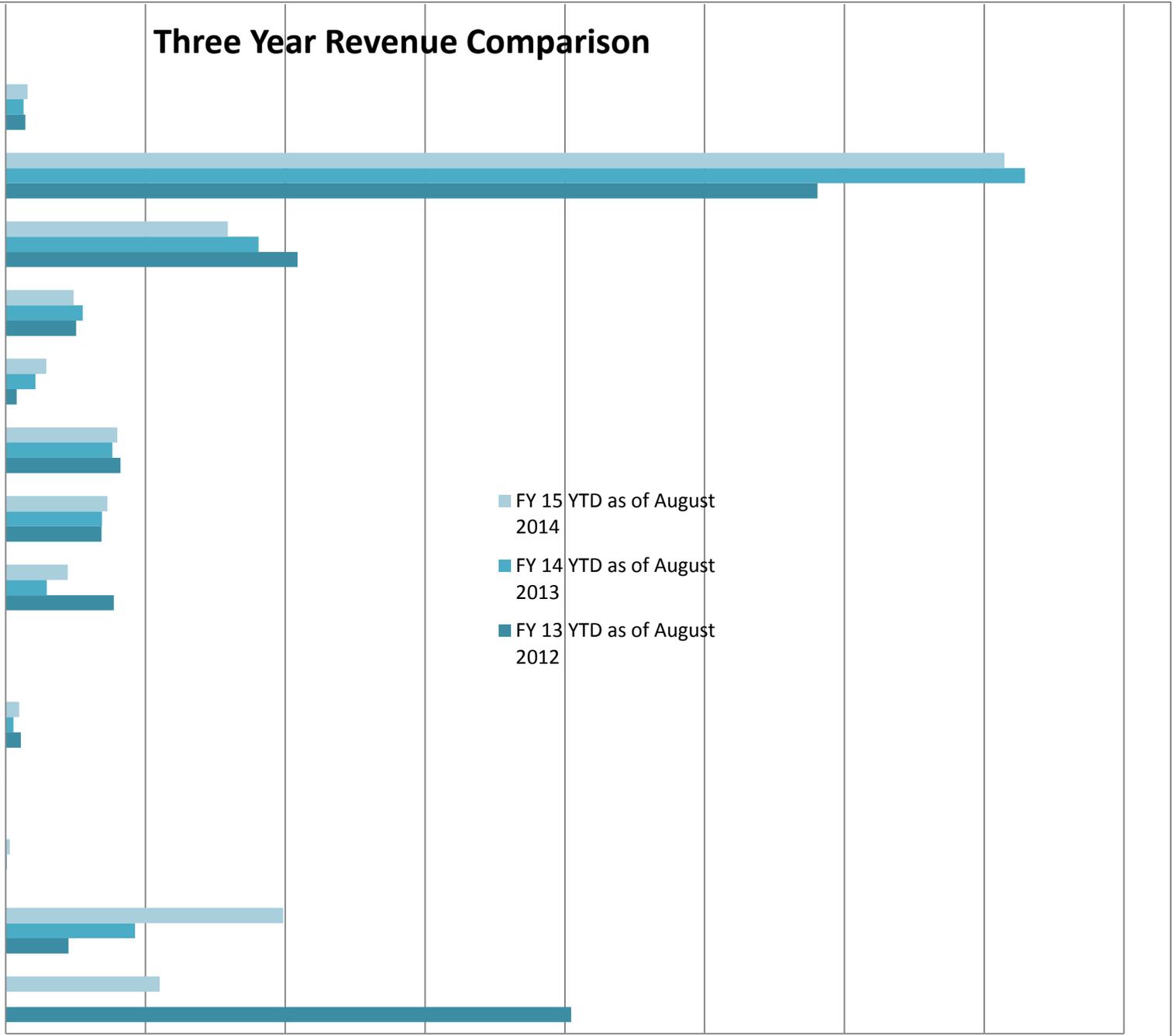
Personal Property Taxes \*\*

Prior Yr Real Estate & Pers. Prop. Taxes

Real Estate Taxes

FY 15 YTD as of August 2014  
 FY 14 YTD as of August 2013  
 FY 13 YTD as of August 2012

\$0 \$10,000 \$20,000 \$30,000 \$40,000 \$50,000 \$60,000 \$70,000 \$80,000





*Municipal Corp. of  
Cape Charles*

The undersigned Clerk of the Council of the Town of Cape Charles, Virginia (the “Town”), hereby certifies that:

1. A meeting of the Council of the Town (the “Council”) was duly called and held on September 18, 2014 (the “Meeting”).
2. Attached hereto is a true, correct and complete copy of Ordinance 20140918 (the “Ordinance”) of the Town entitled as recorded in full in the minutes of the Meeting, duly adopted by a majority of the members of the Council present and voting during the Meeting.
3. A summary of the members of the Council present or absent at the Meeting and the recorded vote with respect to the foregoing Resolution as set forth below:

<u>Member Name</u>	<u>Present</u>	<u>Absent</u>	<u>Voting</u>		
			<u>Yes</u>	<u>No</u>	<u>Abstaining</u>
George Proto, Mayor	X				
Chris Bannon	X		X		
Steve Bennett	X		X		
Charles Brown	X		X		
Tom Godwin	X		X		
Joan Natali	X		X		
Frank Wendell	X		X		

4. The Ordinance has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

Witness my signature and the seal of the Town of Cape Charles, Virginia this 19<sup>th</sup> day of September 2014.

---

Clerk of the Council  
Town of Cape Charles, Virginia

(Seal)

**ORDINANCE 20140918**  
**REVISING WATER AND SEWER CONNECTION CHARGES**

**WHEREAS**, water and sewer connection charges should be set at a level sufficient to finance the anticipated capital cost of necessary system capacity; and

**WHEREAS**, future growth will necessitate expansion of system capacity; and

**WHEREAS**, the need for system capacity is driven by water consumption demand; and

**WHEREAS**, the current method of calculating Class II commercial connection charges does not bear a consistent relation to water consumption demand; and

**WHEREAS**, improvement of this methodology will correct this situation and alleviate an unnecessary barrier to development of new small businesses; and

**WHEREAS**, it is appropriate to establish connection charges that are fair and reasonable; now

**THEREFORE BE IT ORDAINED** by the Town Council of Cape Charles, this 18<sup>th</sup> day of September, 2014, that Sections 70-35 and 71-42 of the Town Code be revised per the attached.

\*\*\*\*\*

Adopted by the Town Council of Cape Charles on September 18, 2014.

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

ATTEST:

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

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

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the costs associated with maintaining the waterworks. The facility fee covers the capital cost of creating waterworks capacity.
- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$4,000, for a total charge of \$4,875. For residences having fewer than two bedrooms, the charge shall be one-half of that amount.
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: Class I facility fee x residential equivalent x 75%. Residential equivalent shall be the estimated daily water consumption rate for the building, as shown below, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, and for water incorporated into a manufactured or processed product, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council. In no case shall the facility fee be less than a Class I fee for a residence having fewer than two bedrooms.

<u>Building Use</u>	<u>Gallons Per Day</u>
Food and Beverage, principally sit down	10 per seat
Food and Beverage, principally carry out	115
Lodging	45 per lodging room
Retail Sales	20 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000
Office	25 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000
Medical Office	50 per provider
Manufacturing*, Distributing, Servicing	135 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000

\*excluding water incorporated into a product

For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption. For buildings being converted to a different use, a new facility fee shall be calculated and the increment shall be either charged if higher or refunded if lower than the previous use.

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

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

- (a) Connection charges shall consist of a connection fee and a facility fee. The connection fee contributes to the Town’s costs associated with maintaining the treatment works. The facility fee covers the capital cost of creating treatment works capacity.
- (b) Class I - The connection fee shall be \$875 and the facility fee shall be \$6,600, for a total charge of \$7,475. For residences having fewer than two bedrooms, the charge shall be one-half of that amount.
- (c) Class II – The connection fee shall be \$875. The facility fee shall be calculated on a consumption based formula as follows: Class I facility fee x residential equivalent x75%. Residential equivalent shall be the estimated daily water consumption rate for the building, as

shown below, divided by the residential daily water consumption rate of 125 gallons per day. For buildings with a proposed use not shown below, and for water incorporated into a manufactured or processed product, the Town Manager will develop an estimated daily water consumption rate for approval by the Town Council. In no case shall the facility fee be less than a Class I fee for a residence having fewer than two bedrooms.

<u>Building Use</u>	<u>Gallons Per Day</u>
Food and Beverage, principally sit down	10 per seat
Food and Beverage, principally carry out	115
Lodging	45 per lodging room
Retail Sales	20 up to 5,000 sq. ft., 4 per 1,000 sq. ft. above 5,000
Office	25 up to 5,000 sq. ft., 5 per 1,000 sq. ft. above 5,000
Medical Office	50 per provider
Manufacturing*, Distributing, Servicing	135 up to 30,000 sq. ft., 5 per 1,000 sq. ft. above 30,000

\*excluding water incorporated into a product

For buildings qualifying under chapter 66, article VIII of this Code, the facility fee used in the consumption based formula shall be \$1,375, rather than the Class I facility fee, if construction activity is commenced after the submission of the application or within the ten-year period of tax exemption. For buildings being converted to a different use, a new facility fee shall be calculated and the increment shall be either charged if higher or refunded if lower than the previous use.

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

# Town of Cape Charles Proclamation 20140918

## Designating September 17-23, 2014 as “Constitution Week” in the Town of Cape Charles, Virginia

**WHEREAS**, September 17, 2014, marks the two hundred twenty-seventh anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

**WHEREAS**, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

**WHEREAS**, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week;

**NOW, THEREFORE** I, George Proto, by virtue of the authority vested in me as Mayor of the Town of Cape Charles, Virginia, do hereby proclaim the week of September 17 through 23, 2014 as

### Constitution Week

in the Town of Cape Charles and call upon all the citizens to reaffirm the ideals that the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

In witness whereof, I have hereunto set my hand and caused the official seal of the Town of Cape Charles to be affixed this 18<sup>th</sup> day of September, 2014.

---

Mayor George Proto

ATTEST:

---

Town Clerk



*Municipal Corp. of  
Cape Charles*

The undersigned Clerk of the Council of the Town of Cape Charles, Virginia (the “Town”), hereby certifies that:

1. A meeting of the Council of the Town (the “Council”) was duly called and held on September 18, 2014 (the “Meeting”).
2. Attached hereto is a true, correct and complete copy of Resolution 20140918 (the “Resolution”) of the Town entitled as recorded in full in the minutes of the Meeting, duly adopted by a majority of the members of the Council present and voting during the Meeting.
3. A summary of the members of the Council present or absent at the Meeting and the recorded vote with respect to the foregoing Resolution as set forth below:

<u>Member Name</u>	<u>Present</u>	<u>Absent</u>	<u>Voting</u>		
			<u>Yes</u>	<u>No</u>	<u>Abstaining</u>
George Proto, Mayor	X				
Chris Bannon	X		X		
Steve Bennett	X		X		
Charles Brown	X		X		
Tom Godwin	X		X		
Joan Natali	X		X		
Frank Wendell	X		X		

4. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

Witness my signature and the seal of the Town of Cape Charles, Virginia this 19<sup>th</sup> day of September 2014.

---

Clerk of the Council  
Town of Cape Charles, Virginia

(Seal)

**RESOLUTION 20140918**

**AUTHORIZING THE RENEWAL OF THE LINE OF CREDIT WITH SHORE BANK**

**WHEREAS**, the Town of Cape Charles has carried a line of credit with Shore Bank since 2011; and

**WHEREAS**, the Town Council of the Town of Cape Charles desires to continue this line of credit; and

**WHEREAS**, Shore Bank has offered the Town of Cape Charles a \$500,000 unsecured line of credit with a variable interest rate of Prime plus 0.5%, with a floor of 3.75%; now

**THEREFORE BE IT RESOLVED** by the Town Council of the Town of Cape Charles, Virginia, this 18<sup>th</sup> day of September 2014, to authorize Mayor Proto to execute the loan documentation to renew the unsecured line of credit for \$500,000 with Shore Bank. In the event the Mayor is unavailable to sign the documents, both the Vice Mayor and Interim Town Manager would be required to sign. The credit line would be available for use as determined and authorized by the Town Council of the Town of Cape Charles.

\*\*\*\*\*

Adopted by the Town Council of the Town of Cape Charles on September 18<sup>th</sup>, 2014.

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

ATTEST:

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



*Municipal Corp. of  
Cape Charles*

The undersigned Clerk of the Council of the Town of Cape Charles, Virginia (the “Town”), hereby certifies that:

1. A meeting of the Council of the Town (the “Council”) was duly called and held on September 18, 2014 (the “Meeting”).
2. Attached hereto is a true, correct and complete copy of Resolution 20140918A (the “Resolution”) of the Town entitled as recorded in full in the minutes of the Meeting, duly adopted by a majority of the members of the Council present and voting during the Meeting.
3. A summary of the members of the Council present or absent at the Meeting and the recorded vote with respect to the foregoing Resolution as set forth below:

<u>Member Name</u>	<u>Present</u>	<u>Absent</u>	<u>Voting</u>		
			<u>Yes</u>	<u>No</u>	<u>Abstaining</u>
George Proto, Mayor	X				
Chris Bannon	X		X		
Steve Bennett	X		X		
Charles Brown	X		X		
Tom Godwin	X		X		
Joan Natali	X		X		
Frank Wendell	X		X		

4. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

Witness my signature and the seal of the Town of Cape Charles, Virginia this 19<sup>th</sup> day of September 2014.

---

Clerk of the Council  
Town of Cape Charles, Virginia

(Seal)

## **RESOLUTION 20140918A TRANSFER CONSENT**

**WHEREAS**, Charter Communications VI, LLC ("Franchisee") is the duly authorized holder of a franchise, as amended to date (the "Franchise"), authorizing Franchisee to serve the Town of Cape Charles, VA (the "Franchise Authority") and to operate and maintain a cable television system therein; and

**WHEREAS**, Charter Communications, Inc. ("Charter") is the ultimate parent company of Franchisee; and

**WHEREAS**, on April 25, 2014, Charter and Comcast Corporation ("Comcast") entered into the Comcast/Charter Transactions Agreement (the "Agreement"), pursuant to which the Franchisee, through a restructuring under Charter's ownership, will become CCO Transfers, LLC ("New Franchisee") and immediately thereafter will become a wholly-owned subsidiary of Comcast (the "Transaction"); and

**WHEREAS**, Franchisee has filed an FCC Form 394 with the Franchise Authority with respect thereto; and

**WHEREAS**, the Franchise Authority has considered and approves of the Transaction.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of Cape Charles, the Franchise Authority, this 18<sup>th</sup> day of September, 2014, as follows:

1. The foregoing recitals are approved and incorporated herein by reference.
2. The Franchise Authority consents to the Transaction and assignment.
3. The Franchise Authority confirms that the Franchise is valid and outstanding and in full force and effect and there are no defaults under the Franchise. Subject to compliance with the terms of this Resolution, all action necessary to approve the Transaction has been duly and validly taken.
4. Comcast or New Franchisee may (a) assign or transfer its assets, including the Franchise, provided that such assignment or transfer is to an entity directly or indirectly controlling, controlled by or under common control with Comcast; (b) restructure debt or change the ownership interests among existing equity participants in Comcast; (c) pledge or grant a security interest to any lender(s) of Comcast's assets, including, but not limited to, the Franchise, or of interest in Comcast, for purposes of securing any indebtedness; and (d) sell equity interests in Comcast or any of Comcast's affiliates.
5. Upon closing of the Transaction, New Franchisee shall remain bound by the lawful terms and conditions of the Franchise.
6. This Resolution shall be deemed effective upon adoption.

7. This Resolution shall have the force of a continuing agreement with New Franchisee, and the Franchise Authority shall not amend or otherwise alter this Resolution without the consent of New Franchisee and Comcast

\*\*\*\*\*

Adopted by the Town Council of Cape Charles on September 18, 2014

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

ATTEST:

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



*Municipal Corp. of  
Cape Charles*

The undersigned Clerk of the Council of the Town of Cape Charles, Virginia (the “Town”), hereby certifies that:

1. A meeting of the Council of the Town (the “Council”) was duly called and held on September 18, 2014 (the “Meeting”).
2. Attached hereto is a true, correct and complete copy of Resolution 20140918B (the “Resolution”) of the Town entitled as recorded in full in the minutes of the Meeting, duly adopted by a majority of the members of the Council present and voting during the Meeting.
3. A summary of the members of the Council present or absent at the Meeting and the recorded vote with respect to the foregoing Resolution as set forth below:

<u>Member Name</u>	<u>Present</u>	<u>Absent</u>	<u>Voting</u>		
			<u>Yes</u>	<u>No</u>	<u>Abstaining</u>
George Proto, Mayor	X				
Chris Bannon	X		X		
Steve Bennett	X		X		
Charles Brown	X		X		
Tom Godwin	X		X		
Joan Natali	X		X		
Frank Wendell	X		X		

4. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

Witness my signature and the seal of the Town of Cape Charles, Virginia this 19<sup>th</sup> day of September 2014.

---

Clerk of the Council  
Town of Cape Charles, Virginia

(Seal)

**RESOLUTION 20140918B**  
**LAW ENFORCEMENT MUTUAL AID AGREEMENT**

**WHEREAS**, Virginia law authorizes local governments and Sheriffs in counties to enter into reciprocal agreements for mutual aid and for cooperation in the furnishing of law enforcement services; and

**WHEREAS**, the Town of Cape Charles and the Sheriff of Northampton County have determined that the provision of law enforcement aid across jurisdictional lines will increase their ability to preserve the safety and welfare of the entire area; and

**WHEREAS**, it is deemed to be mutually beneficial to the Town of Cape Charles and the Northampton County Sheriff's Office to enter into a Law Enforcement Mutual Aid Agreement (attached); now

**THEREFORE BE IT RESOLVED** by the Town Council of Cape Charles, this 18<sup>th</sup> day of September, 2014, to enter into a Law Enforcement Mutual Aid Agreement with the Northampton County Sheriff's Office for cooperation in providing law enforcement services across jurisdictional lines to increase the ability to preserve the safety and welfare of the residents of the Town of Cape Charles and Northampton County.

\*\*\*\*\*

Adopted by the Town Council of Cape Charles on September 18, 2014.

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

ATTEST:

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