



**TOWN COUNCIL**  
**Regular Meeting**  
**St. Charles Parish Hall**  
**April 9, 2009**  
**Immediately Following Public Hearing**

At approximately 7:25 p.m. Mayor Dora Sullivan called to order the Regular Meeting of the Town Council. In addition to Mayor Sullivan, present were Councilmen Burdiss, Elliott, Evans and Veber. Councilmen Bannon and Bennett were not in attendance. Also in attendance were Interim Town Manager Heather Arcos, Town Consultant Bob Panek, Town Planner Tom Bonadeo and Town Clerk Libby Hume, several additional members of staff and approximately 30 members of the public.

Mayor Sullivan informed the audience that the Cape Harbor project discussions have been removed from the agenda pending some additional legal language.

**PUBLIC COMMENTS:**

Mr. Melvin Dudley, 303 Madison Avenue, addressed the Council regarding several issues as follows: i) Keep the options open for the old Cape Charles High School either for teachers' housing and a library or a Christian school as proposed by Mr. Rayfield; ii) Keep in mind the following dates – April 2, 2010 for the next Blessing of the Fleet, and May 1, 2010 for the next Renovator's Ball.

Ms. Nancy Vest, 218 Monroe Avenue, addressed the Council asking them to review the Cape Harbor project very carefully especially concerning the addition on 300 condominiums which will change the small town charm which drew so many people to Cape Charles.

Mr. Gene Kelly, 614 Tazewell Avenue, addressed the Council regarding the Cape Harbor project asking the Council to preserve the site corridors to the water. Mr. Kelly went on stating that at the present height levels, if there are no site corridors to the water, the walls will look like the Berlin Wall blocking local access to the harbor area. Also by preserving the site corridors, there will be an almost unusable section of land at Pine Street which could be made into a park. Mr. Kelly concluded by stating that visitors coming into Cape Charles by boat would not be able to see the old buildings, hotel, etc. along Mason Avenue.

Mr. Erin Harvey, 123 Peach Street, addressed the Council regarding the Cape Harbor project and asked that an additional condition be added to continue the historical grid and require the developer to maintain the small parcel left at the end of Pine Street as open space as a park in the heart of the business district. Mr. Harvey concluded by adding that the entire approval process for the Cape Harbor project has been difficult for the citizens to follow and that many people did not know the number of units that have been approved by the Council.

Mr. David Burden addressed the Council as Northampton County Supervisor for District 2 and congratulated the Council and everyone involved regarding the following: i) The Blessing of the Fleet was a success and he looked forward to continuing this annual event; ii) He appreciated the Council's support of the Skateboard Park and is looking forward to working with the youth at the park; iii) He is excited about the business opportunities in

Town, along Mason Avenue and the Cape Charles Yacht Center. Mr. Burden concluded by stating that if there was anything the County could do for the Town of Cape Charles, to please let him know.

Mr. Berkley Rayfield, 630 Tazewell Avenue, formally asked the Council to consider moving forward with plans to renovate the old Cape Charles High School to a non-denominational Christian School and library stating that he has an exceptional group of people on board and has been receiving positive feedback from parents and potential teachers. Mayor Sullivan informed Mr. Rayfield that a work session will be scheduled as soon as possible.

Town Planner Tom Bonadeo read emails submitted by Suzanne Hallberg of 2 Randolph Avenue, Junius Neville of 112 Randolph Avenue, and Laurie and Jeff Klingel of Old Cape Charles Road. *(Please see attached.)*

**CONSENT AGENDA:**

Mayor Sullivan stated that under New Business, a new action item (8G) will be added regarding the Appointment of a Planning Commissioner, and under Old Business, Item 7A-Cape Harbor Project, will be deleted.

**Motion made by Councilman Veber, seconded by Councilman Elliott and unanimously approved to accept the agenda as amended.**

The Town Council reviewed the minutes of the following meetings: the June 4, 2008 Public Hearing, June 12, 2008 Regular Meeting, March 12, 2009 Executive Session, March 12, 2009 Public Hearing and Regular Meeting, March 26, 2009 Special Meeting and the April 2, 2009 Work Session. Mayor Sullivan asked if there were any objections to the minutes as presented.

Councilman Evans stated that he and Councilman Bannon had abstained from the vote regarding the conditional use permit for a Bed & Breakfast for 212 Bay Avenue. Town Clerk Libby Hume stated that she would review the recording and make any necessary corrections.

**Hearing no further objections, the minutes for the June 4, 2008 Public Hearing, June 12, 2008 Regular Meeting, March 12, 2009 Executive Session, March 26, 2009 Special Meeting and the April 2, 2009 Work were approved by unanimous consent. The minutes for the March 12, 2009 Public Hearing and Regular Meeting were approved by unanimous consent subject to any necessary corrections being made.**

**REPORT PRESENTATIONS:**

*A. Treasurer's Report:*

Acting Treasurer JoAnna Leatherwood reported that the Treasurer's Report dated March 31, 2009 showed \$115,651 in the Bank of America checking account and \$1,040,416 in the Local Government Investment Pool ("LGIP") with a Total Cash on Hand of \$1,156,067.

**Motion made by Councilman Burdiss, seconded by Councilman Elliott and unanimously approved to accept the Treasurer's Report as presented.**

*B. Library Report:*

Librarian Ann Rutledge was not able to attend the meeting.

C. *Recreation Report:*

Youth Director Tad Taborn reported that the Skateboard Park was coming along and he was planning a day, after the completion of the construction, for the youth to paint and decorate the area with their artwork. An open house is also being planned upon completion. Next week is Spring Break for the Northampton County Schools and the following events are scheduled: i) April 15<sup>th</sup> – Organic Gardening; ii) April 16<sup>th</sup> – Abrakadoodle; and iii) April 19<sup>th</sup> – Pier Fishing.

D. *Public Works Report:*

Public Works Director Dave Fauber was not able to attend the meeting.

E. *Harbor Report:*

Harbormaster Smitty Dize reported the following: i) He thanked everyone for helping make this year's Blessing of the Fleet a big success; ii) Cape Charles has been awarded a Federal Boating Infrastructure grant for \$343,977. Cape Charles ranked second in points from municipalities across the country to qualify for this grant.

F. *Historic Review Board:*

Tom Bonadeo reported that the Historic District Review Board held a meeting on March 17<sup>th</sup> and approved three items as follows: i) the restoration of 212 Bay Avenue; ii) new house plans for 304 Jefferson Avenue; and iii) renovation of the old Meatland building.

G. *Planning Commission:*

Tom Bonadeo reported that the Planning Commission reviewed a Conditional Use Permit Application for a deli/seafood shop at 609/611 Mason Avenue and have recommended scheduling a joint public hearing for May 5, 2009. The Planning Commission has finalized the draft Comprehensive Plan Update and will forward it to the Council for review prior to the April 16<sup>th</sup> Joint Meeting.

**NEW BUSINESS PART I**

A. *Eastern Shore of Virginia Tourism Commission Presentation:*

Ms. Carol Evans, Chairwoman of the Tourism Commission for both Accomack and Northampton Counties, thanked the Town for helping spread the Eastern Shore Brand by displaying their bumper stickers on vehicles and reviewed various media placements bringing recognition to the Eastern Shore. Ms. Evans reported the following: i) Bed & Breakfast owners on the Eastern Shore had donated 50 rooms for active-duty military to win a free vacation in honor of Memorial Day; ii) In 2008, there were 1.6M hits on the Eastern Shore Tourism website; iii) The Eastern Shore Welcome Center was scheduled to open this summer; and iv) Ferry service between Tangier Island and Onancock will be back in operation which keeps the visitors coming to Virginia vs. Crisfield, MD. Ms. Evans also pointed out the new 2009 Visitors' Guide which is referred to as the "Passport to the Eastern Shore." Ms. Donna Bozza, Director of the Eastern Shore Tourism Commission, showed the new Eastern Shore Tourism video and stated that it will be featured on the Discovery Channel and on the Virginia State website. Ms. Bozza thanked Cape Charles for supporting the Tourism Commission by providing approximately \$5K per year in occupancy taxes, but with the current budget, she was unsure if the Tourism Commission could continue to operate and staff the new Welcome Center. Ms. Bozza asked that the Council consider a one-time \$5K capital donation to help fund the Eastern Shore Welcome Center. This \$5K would include an advertisement for Cape Charles in the Welcome Center. Mayor Sullivan asked what the other towns on the Eastern Shore

were investing and Ms. Bozza stated that she is asking \$5k from all the towns as well as requesting Exmore to give 1% of their occupancy tax to the Tourism Commission.

**OLD BUSINESS:**

**B. *The Cape Charles School Update:***

Tom Bonadeo stated that the previously the ANPDC and VHDA worked with Cape Charles to create an adaptive reuse for the old Cape Charles High School building and a grant was secured, with no match, and an architect drew plans for renovation of the classroom area as apartments and the gymnasium as the library. The rental project would not be managed by the ANPDC with projected management and maintenance costs of \$39K per year but could be offset by a \$400K investment on the front end to buy down the amount of money financed and the ANPDC is currently looking for grant money for this supplement even though it is unlikely to find free money in this economy. Tom Bonadeo recommended having the ANPDC research funding opportunities for the \$400K in the short term and other funding and use opportunities for the rehabilitation of the building move forward to stop the deterioration of the building.

**NEW BUSINESS PART II:**

**A. *Broadband Project – Community Development Block Grant Contract (“CDBG”):***

Tom Bonadeo stated that the Broadband Management Team had completed the required documentation and had the necessary reviews with the DCBC representatives to be offered a grant contract recommended approval of the authorization for the Mayor to sign the contracts for DHCD and ESVBA once received.

**Mayor Sullivan asked if there were any objections regarding the recommendation. Hearing no objections, the authorization of the Mayor to sign the contracts for the DHCD and ESVBA was approved by unanimous consent.**

**B. *Set Joint Public Hearing for 609/611 Mason Avenue Conditional Use Permit:***

Tom Bonadeo stated that the Planning Commission received a Conditional Use Permit application to operate a deli/seafood shop at 609/611 Mason Avenue and that the Planning Commission had recommended holding a joint public hearing on May 5, 2009 due to the seasonal nature of this business.

**Mayor Sullivan asked if there were any objections regarding the recommendation of the Planning Commission. Hearing no objections, the recommendation to hold a joint public hearing on May 5, 2009 to hear comments regarding the Conditional Use Permit application for the operation of a deli/seafood shop at 609/611 Mason Avenue was approved by unanimous consent.**

**C. *Resolution for VML/VACo Construction Financing - Wastewater:***

Town Consultant Bob Panek stated that the Town was in the 45% design stage regarding the new 250K GPD wastewater treatment plant and would be advertising for construction bids in August 2009. The total estimated project cost is \$16.5M, including design, engineering, construction, administration and legal. Plans are to fund part of the project with a grant of approximately \$6.6M from the Virginia Water Quality Improvement Fund (“WQIF”) and the Town has also applied for Federal stimulus funding through the Virginia Clean Water Revolving Loan Fund (“CWRLF”) and Cape Charles is ranked 6<sup>th</sup> out of 26 projects on the DEQ draft priority list with the final decisions being made by the State Water Control Board on April 27<sup>th</sup> or 28<sup>th</sup>. The Town needs to arrange for interim

financing and has been working with the VML/VACo Finance Program to borrow \$9.9M for this purpose. Bob Panek requested the Council to approve “Resolution #20090409 – Resolution of the Town Council of the Town of Cape Charles, Virginia, Approving the Issuance and Sale of Its Public Improvement Note in a Maximum Principal Amount Not to Exceed \$16,500,000 Plus Capitalized Interest for a Period of Up to 28 Months and Costs of Issuance, and the Execution and Delivery of Certain Documents Prepared in Connection Therewith” which also gives authority to the Mayor and Interim Town Manager to make changes to the loan documents until closing. Bob Panek and Mayor Sullivan proceeded to read the resolution.

There was much discussion regarding the DEQ deadline of January 2011, a possible extension of the deadline, whether the existing plant could be repaired and the feasibility of a regional wastewater system. Bob Panek addressed the comments made by the citizens at the Public Hearing which was held earlier in the evening. The Council agreed that there was much confusion amongst the citizens and suggested a Frequently Asked Questions sheet be published to address the various issues of concern.

**Hearing no further objections or discussion, Mayor Sullivan asked for a roll call vote: Burdiss, yes; Elliott, yes; Evans, yes; Veber, yes. The Resolution #20090409 was unanimously approved.**

*D. Reappointment to the Industrial Development Authority (“IDA”):*

Mayor Sullivan informed the Council that Mr. Charlie Dickinson was unanimously reappointed by the Northampton County Board of Supervisors to serve on the IDA of Cape Charles-Northampton County for an addition four-year term expiring December 2012. Since the IDA affects both Northampton County and the Town of Cape Charles, the Town Council must also act on the appointment in order for it to become official.

**Mayor Sullivan asked if there were any objections to the reappointment of Charlie Dickinson to the Industrial Development Authority of Cape Charles-Northampton County. Hearing no objections, Charlie Dickinson’s reappointment was approved by unanimous consent.**

*E. Virginia Commission for Arts Local Government Challenge Grant:*

Interim Town Manager Heather Arcos informed the Council that the Town has participated in the Virginia Commission for Arts Local Government Challenge Grant since 1997 and the Commission will match local government funds up to \$5K. The grant application was drafted by the Arts Enter and signed by Town staff and the Town must confirm the Council’s decision to appropriate the matching funds in writing to the Commission by July 1, 2009. The local match will be included in the draft FY2009-2010 budget.

*F. Record Retention/Destruction:*

Mayor Sullivan informed the Council that the Clerk’s office is continuing in the process of organizing and archiving the vital records of the Town as mandated by the Code of Virginia under the Virginia Public Records Act and are requesting authorization to destroy Real Estate Tax Records for Taxing Year 2001-2002 and Personal Property Tax Records for Taxing Year 2001-2002. These records must be retained for five (5) years from the end of the tax year in which the tax is paid or until the audit.

**Mayor Sullivan asked if there were any objections to the destruction of the above-mentioned tax records. Hearing no objections, the Council approved the destruction of the real estate and personal property tax records for taxing year 2001-2002 by unanimous consent.**

*G. Appointment of Planning Commissioner:*

Mayor Sullivan informed the Council that with Ms. Cela Burge's resignation from the Planning Commission, a replacement needed to be appointed to complete Ms. Burge's term which expires October 31, 2010. During the interview process held in December 2008, Mr. Dennis McCoy was named as an alternate to the Planning Commission.

**Mayor Sullivan asked if there were any objections to the appointment of Dennis McCoy to the Planning Commission. Hearing no objections, Dennis McCoy was appointed to complete Ms. Cela Burge's unexpired term on the Planning Commission by unanimous consent.**

**ANNOUNCEMENTS:**

- The Executive Session which was scheduled for earlier this evening has been rescheduled for April 14, 2009 prior to the Work Session.
- April 14, 2009 – Town Council Work Session
- April 16, 2009 – Planning Commission and Town Council Joint Work Session
- April 23, 2009 – Town Council Work Session
- May 14, 2009 – Town Council Regular Meeting
- May 30, 2009 – MS Bike Race

**Mayor Sullivan asked if there were any objections to adjourning the meeting. Hearing no objections, the regular meeting of the Town Council was adjourned by unanimous consent.**

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Mayor Sullivan

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Town Clerk