

**TOWN COUNCIL RETREAT
MARCH 28-30, 2006
MINUTES**

Mayor Frank Lewis called the Town Council Retreat to order with all members present at 8:00 am on March 28, 2006 in the meeting room at the Cobb Island Station. Council members Davis, Brown, Sullivan, Evans, Elliott and Veber reported present. Also present were the Town Manager Tim Krawczel, Town Planner Jason Pruitt, Town Clerk Joy Pelletier, Assistant to the Town Manager Heather Arcos, several staff members and approximately 8 members of the Public.

Mayor Lewis welcomed the Public to the forum, but indicated this was the Council Retreat and there would be no Public input allowed. He also set ground rules for breaks (which were to be treated as recessed meetings) and for the use of the facility.

Tim Krawczel reviewed the agenda for the meeting (see attached Agenda) and relayed to Council the objectives of the Retreat.

Mr. Krawczel then reviewed the following FY 2005/6 Work Plans:

- Major Capital Improvement Projects (See Attachment 1)
- Minor Capital Improvements Projects (See Attachment 2)
- Consultant Services (See Attachment 3)
- Plan for Level of Service Initiatives (See Attachment 4)
- Revenue initiatives (See Attachment 5)
- Employee benefits (See Attachment 5, Table 6)

Council broke for refreshments and returned to begin the process of determining the needs for FY 2006/7.

The next agenda item covered was Department Head Work Plans as follows.

Police Department

Police Chief David Eder first addressed his mission statement, with the essential point being the safety and security of the Town. He then addressed the issue of the Police Officers being community oriented, i.e. having the officers visible and involved in Community activities. Chief Eder the importance of Officers' involvement in youth activities and the ID program for as related to the Amber Alert Program. Technology was discussed as well as improved officer education and a citizens' auxiliary program. One last item offered for debate was the anticipated effect on our Police force if the County decreases the number of Deputies on staff. In emergency situations, the County calls on our Officers for assistance. This obviously impacts the coverage in Town.

Treasurer's Department

Pat Buckley, Cape Charles Treasurer summarized her Department's mission statement as getting the money to which the Town is entitled and monitoring that it is spent appropriately. Ms. Buckley indicated the most significant portion of her duties was collection of real estate property taxes and relayed the Town is approximately 98% collected including past due taxes. She also quickly touched on the goals of her department which included cross training of all employees, new software and DMV's new system.

Town Clerk

Town Clerk, Joy Pelletier, summed up her mission as being service to the Council, the employees and the Public. She then covered a few duties she performs which were not detailed on her job duties and responsibilities, the major area being Human Resources and Employee Relations. She indicated she was in the process of reorganizing the structure of her responsibilities and would be delegating more to the clerk assistant in order to spend the appropriate amount of time in record retention and organization of the record management system.

Planning Department

Town Planner, Jason Pruitt, condensed his mission statement as long term planning, short term planning and enforcing and administering ordinances. He elaborated on each area explaining to Council how each of these areas relates to his job responsibilities. He also covered his future objectives as outlined on the attached statement.

The Council broke for lunch. Resuming the meeting, Town Manager Tim Krawczel introduced Steve Jacobs from the firm of Robinson, Farmer and Cox.

The firm of Robinson, Farmer and Cox had been contracted to complete the audit of the Town and had been retained to research options of software compatible to the Town's needs. Mr. Jacobs spoke briefly concerning the audit and spend the remainder of his time outlining how the firm determined which software vendors would fit the Town's needs. The techniques of determination included interviewing a number of the current employees to uncover their needs as well as surveying other towns of a similar size for their satisfaction in their software. The three systems recommended were Bright (an IBM system), Southern and Harris which are both windows based systems. Council discussed the next steps of the process which would be advertising a Request for Proposals and possibly visiting sites in the area that currently use the suggested software.

Will Turnage of VML-VACO Finance was then introduced to discuss the different financing options available through VML-VACO, how each was best used and how using the pooling process the Town actually saves money in finance charges. The two types of financing discussed were Commercial Paper and the Pooled Bond Program. Mr. Turnage indicated Commercial Paper was best used for short term projects such as construction projects, with the Pooled Bond Program best suited for longer term financing. He explained to Council we had chosen the Commercial Paper program to finance the Fun Pier project and start the Breakwater project in anticipation of paying the loan down with

anticipated grant funds. The remainder of the loan could then be rolled into the Pooled Bond Program for the longer term.

James Brawley of Landmark Designs spoke to update the Council on the progress of the Town Harbor Improvements: The Fishing Pier, Bulkhead Repair, and the Fender System at the Commercial Pier. Mr. Brawley mentioned the floating breakwater indicating the Harbor Master has a few concerns as it may make it difficult to berth many of the boats. He described the effect of the breakwater was to minimize the effect of the waves into the channel and indicated there were other alternatives that would garner the same result.

Vladimir Gavrilovic of Paradigm Designs was the last speaker of the day. Mr. Gavrilovic summarized the two scopes of focus for this project as being the establishment of design guidelines and a master plan for land use. He indicated the process of determining what was desirable for the area included input from the citizens, Council members, adjacent property owner and the Planning Commission. In briefly discussing the vision Mr. Gavrilovic pointed out the architecture in the area (buildings, lighting, pathways, and furniture) should mimic the Historic District. He also suggested any extensive development should be in a similar grid fashion as that of the Historic District.

At approximately 3:50 p.m. a motion to recess this session was made by Councilman Brown, seconded by Councilman Elliott and unanimously approved.

At approximately 8:10 a.m. on March 29, 2006 in the meeting room at Cobb Island Station, Mayor Frank Lewis called to order the recessed session of the Cape Charles Town Council. In addition to Mayor Lewis, present were Councilmen Brown, Elliott, Davis, Veber, Evans and Councilwoman Sullivan. Also present were Town Manager Tim Krawczel, Town Clerk Joy Pelletier, Assistant to the Town Manager Heather Arcos, several staff members and approximately 5 members of the public.

Larry Veber asked if it was possible to change the date of the June meeting as two Council members would be out of the country. It was decided this item would be discussed at a later date.

Mr. Veber then asked if the Council would consider discussing in open meeting the petition signed by 131 people indicating concern over employees of the Town serving on Council.

Motion made by Larry Veber, seconded by Dora Sullivan and unanimously approved to discuss the issue of employees of the Town serving on Town Council in open meeting.

Town Manager, Tim Krawczel briefly recapped the previous day's activities and invited members of the Council to add to the lists any items which need to be addressed during the FY 2006/7.

Mr. Krawczel then rolled the meeting to the remaining Department reports.

Building Department

Doug Smith, Building Code Official read through his mission statement dissected the statement and further discussed the role the Department plays in day to day operations of the Town. He included in his discussion the need to educate the local contractors and the citizens of the Town. He suggested periodic seminars and discussion sessions aimed at this goal. Mr. Smith then discussed additional goals for the coming year which included continued strategic work on neglected structures. Mr. Smith congratulated the Council members on their actions towards the demolition by neglect scenario and discussed the progress made to date in stabilizing decaying structures in Town.

Public Works

Public Works director, Mike Cosby, discussed the current staffing needs. He outlined the Department's goal to become proactive rather than reactive in determining and completing projects and indicated the training needs of his staff in accomplishing this task. Mr. Cosby mentioned hiring outside contractors to fill needs was difficult and suggested retaining contractors who have specific skills needed by the Town. Also addressed was a periodic maintenance schedule for the Town's vehicles and equipment and a Public Works yard to store mulch, gravel and equipment.

Mr. Krawczel mentioned that Mike Cosby had also taken on the role of Risk Management and had begun training employees on safety culture and consciousness.

Harbor

Harbor Master, Smitty Dize spoke to the Council concerning the new fuel tanks and the savings that will bring to the Town. He also mentioned with the increase anticipated with Delmarva Power, consideration should be made to increase our fees to the slip holders. Mr. Dize discussed the impact of the commercial fishermen on our Town Harbor and their importance to the town. He pointed out areas of change such as slips being moved, proper landscaping, maintenance of hard surfaces, and proper lighting.

Public Utilities

The Director of Public Utilities, Mike Thornes mentioned each of his staff members by name and indicated this was the best staff with which he had ever worked. Mr. Thornes reviewed with the Council members his mission statement and dissected his department into three distinct areas: water, wastewater, and service to the Public. He indicated ongoing training was crucial to keep employees up to date and maintain efficiency. Mr. Thornes also noted his aging equipment and with the growth of the Bay Creek area, how he had been relying on the Public Works Department to help staff the meter reading process. He discussed his most crucial initiatives were to remove phosphorus from our water by putting in new chemical feed plants, and to address the odors from the lift stations.

Library

Ann Rutledge, Town Librarian first indicated the pleasure of the Library Board in the updates and repairs to the outside of the building as well as in the landscaping that had

been done. Ms. Rutledge indicated the mission of the Library staff was the broad goal of helping the community to fulfill their informational needs. She explained the unique relationship the Library has with the Eastern Shore Public Library and mentioned the various educational activities the Library sponsors. Ms. Rutledge stated the Cape Charles Library had the responsibility to serve the entire lower half of the Eastern Shore.

Tim Krawczel introduced the objectives for the afternoon session and Council broke for lunch.

Henry Shriver of Shriver and Holland Architects was introduced by Doug Smith after the break. The firm had been hired to determine the feasibility of refurbishing the old Cape Charles School to be used as the Municipal building. Mr. Shriver indicated the School was basically intact with a few settlement areas. He mentioned the concern there is little on sight parking, and that better handicapped access would be required. Detailed discussion took place over geothermal heating systems vs. mechanical heating/cooling systems. The cost of building a Municipal Building from the ground up was compared to the cost of refurbishing the School. With Federal and State tax credit available, it was determined the cost of refurbishing the School may give us more usable space.

Waterworks planning was next on the agenda. Tim Krawczel introduced Jim Phimblett who represented Malcolm Pernie Engineers, Dixon Tucker representing the Virginia Department of Health and Hank Ghittino from the DEQ. Mr. Krawczel opened the round table discussion by mentioning the preliminary engineering study would help determine who will pay for which part of the construction. He indicated the Request for Bids had been advertised and the Town was moving forward collaboratively with ay Mark Construction. Many items were discussed during this session including the capacity of the plant will be reached by the year 2009 if not before, the change in the water quality, the two new wells which are not producing the expected volume of water, and a possible bacteria causing excessive iron in the water.

Motion made by Larry Veber, seconded by James Davis to recess this session until 8:00 a.m. March 31, 2006.

At approximately 8:00 a.m. on March 31, 2006 in the meeting room of the Cobb Island Station, Mayor Frank Lewis called to order the recessed session of the Town Council Retreat. In addition to Mayor Lewis, present were Council members Davis, Brown, Sullivan, Evans, Elliott and Veber. Also present were the Town Manager Tim Krawczel, Town Clerk Joy Pelletier, Assistant to the Town Manager Heather Arcos, and approximately 5 members of the Public.

Mr. Krawczel asked the Council to prioritize the following FY 2006/7 projects:

- Major Capital Improvement Projects (see Attachment 6, Table 7)
- Minor Capital Projects (see Attachment 6, Table 8)
- Consultant Services (see Attachment 7, Table 9)
- Regulatory and Enforcement projects (see Attachment 7, Table 10)
- Identified Internal Operations and programs (see Attachment 8, Table 11)

Motion made by Councilman Brown, seconded by Councilman Davis and unanimously approved to go into closed session in accordance with Section 2.1-344-A of the Code of Virginia of 1950 as amended for the purpose of: Paragraph 1 –Discussion or Consideration of Personnel Matters, specifically for policy and procedures and employee disability and for the purpose of Paragraph 7, Consultation with Legal Counsel to discuss consultant services and the Rosenwald School.

Motion made by Councilman Davis, seconded by Councilman Brown and unanimously approved to return to regular session.

Motion made by Councilman Veber, seconded by Councilman Brown and unanimously approved to affirm only those matters for which the closed session was called were discussed. Polled vote: Brown, yes; Evans, yes; Sullivan, yes; Elliott, yes; Davis, yes; Veber, yes.

Motion made to adjourn the retreat made by Councilman Brown, seconded by Councilman Elliott and unanimously approved.

Mayor

Town Clerk

Attachment 1: Table 1

STATUS REPORT 2005/6 ON MAJOR CAPITAL IMPROVEMENT PROJECTS

| Department | Initiative | Status | Notes |
|-----------------------------------|--|---|--|
| Utilities | Wastewater Treatment Plant Improvements | WQIF Application Filed, Project Cost \$10.5M | Project success depends on many variables, consumes significant staff time |
| Public Works | Beach Breakwaters | Under Contract, 50% Complete | Town Council action required on long term financing |
| Public Works/Code Official | Renovate High School or Build Municipal Building | Concept Study Under Contract, 50% Complete | Consultant will report on March 30th |
| Harbor Master | Commercial Dock Repairs | Under Contract, 75% Complete | Consultant will report on March 29 th |
| Utilities | Wastewater Collection System Repairs | DEQ Consent Order Signed | Smoke Test Scheduled for Spring, must complete by Fall |
| Public Works | Stormwater Management Repairs | DPW initial coordination with VDOT | Carry over project for FY 2006/7 |
| Harbor Master | Harbor Master Facility and Fuel Station | Under contract, project 90% complete | VPA decision on funding expected May 2006 |
| Public Works | Alleys | DPW preparing map of priorities for construction and repair | Carry over project for FY 2006/7 |
| Public Works | Downtown Parking | No formal proposal under consideration | Carry over project for FY 2006/7 |
| Library | Library Addition | Included in Concept Study for School | Consultant will report on March 30th |
| Utilities | Mason Avenue Lift Station Planning | DEQ consent order requires planning | Carry over project for FY 2006/7 |
| Public Works | Sidewalks | DPW preparing map of priorities for construction and repair | Carry over project for FY 2006/7 |
| Public Works | New Public Safety Building | No formal proposal under consideration | |

Attachment 2:
Table 2

FY 2005/6 MINOR CAPITAL IMPROVEMENT PROJECTS

| Department | Initiative | Status | Notes |
|----------------------|---|---|---|
| Treasurer | Tax and Utility Fee Software | Consultant Report 75% Complete | Consultant Report on March 29th |
| Public Works | Street Sweeper | Street Vacuum Operational | Need Chipper in FY 2006/7 |
| Police | 2 Police Vehicles | Two Vehicles Ordered | |
| Public Works | 2 Public Works Pick up Trucks | One Truck Acquired | Second Pickup Rolled Into Dump Truck Purchase |
| Town Manager | IT Work Station and Network Upgrades | Awaiting Software Decision | |
| Public Works | Public Works Dump Truck | New Truck Ordered | Forego one Pickup Truck |
| Code Official | Building Department 4 Wheel Drive | One Truck Acquired | |
| Public Works | Central Park Facility and Drainage Plan | Stage and Mound Complete, BB Court Under Contract | |

Attachment 3:
Table 3

FY 2005/6 TOWN COUNCIL PRIORITIES

STATUS REPORT ON CONSULTANT SERVICES

| Department | Initiative | Status | Notes |
|-----------------------------|---|--|---|
| Town Planner | Harbor Area Design Guidelines and Master Plan | Consultant Under Contract; 50% Complete | Consultant Will Report on March 29th |
| Harbor Master | Harbor Commercial Docks | Construction 80% Complete | Consultant Will Report on March 29th |
| Harbor Master | Harbormaster Office | Construction 60% Complete | Harbor Master Report March 30 th |
| Harbor Master | Harbor Fuel Facility | Fuel Facility On-site, 95% Complete | Harbor Master Report March 30 th |
| Town Planner | Transportation Planning | Comp Plan Chapter Complete | Town Planner Report March 29th |
| Public Works | Municipal Space and Property Study | PWD has begun inventory | Public Works Report March 30th |
| Public Works | Recreation Facilities: Location Study and Construction Drawings | BB Court Design Complete | Need Direction on Next Phase |
| Utility Department | Stormwater Flow Study | Not Under Contract | Carryover Project for FY 2006/7 |
| Town Manager | Job and Wage Survey | Town Part of VML Wage Survey | |
| Town Manager | Comprehensive Code Review | VML Has Model Code | Carry over to FY 2006/7 |
| Public Works | Study of Alleys | Not Under Consultant Contract | Carry over to FY 2006/7 |
| Public Works | Topographic and Drainage Study for Central Park | Not Under Consultant Contract | Carry over to FY 2006/7 |
| Utilities Department | Retain an Engineer for Water System Planning | Malcolm Pernie Engineers Under Short Term Contract | RFP for Consultant Published March 27th |

Attachment 4:
Table 4

FY 2005 TOWN COUNCIL SERVICE INITIATIVES

| Department | Initiative | Status | Notes |
|------------------------|--|--|--|
| Public Works | Hire a Director to implement and manage an expanded program | Mike Cosby hired as Director of Public Works in 2005. | Director of Public Works Report March 30 th |
| Public Works | Expand the public works program for public spaces and sanitation. | Director of Public Works has prepared a work plan for Town Council review. | Director of Public Works Report March 30 th |
| Public Works | Develop opportunities for unsupervised recreation activities | Site Plan for Basketball Courts complete, construction under contract. | |
| Town Clerk | Improve public information regarding recreation opportunities | Town announces events on Council Agenda. | Need to improve public notices on Town website |
| Utilities | Implement a more efficient meter reading program | All meters purchased are adaptable to automated meter reading. | Financial Software study includes integration of automated reading and billing |
| Utilities | Expedite installation of manhole risers | Risers Installed | |
| Public Works | Document and acquire easements, for alleys; implement a program for improvement. | Gravel maintenance program in place; Director of Public Works developing priorities for maintenance. | Carry over project for FY 2006/7 |
| Police | Expand for 24 hour service | Special Overtime program in place, allows Chief of Police to schedule additional coverage. | Vehicle and IT upgrades have increased patrol time vs office time. |
| Fire Protection | Plan and upgrade services | Town is assisting CCVFD acquisition of ladder truck. | Town staff can help develop grant funding opportunities |

Attachment 5:
Table 5

FY 2005/6 REVENUE INITIATIVES

| Department | Initiative | Status | Notes |
|---------------------|---|--|--|
| Town Manager | Maintain taxes and fees at current rates | Tax rates held constant in FY 2005 | |
| Town Manager | Develop action plan for boundary line adjustment | Informal discussions with Northampton County ongoing | |
| Treasurer | Adjust personal property taxes for cars and boats | Implement with FY 2006/7 budget | |
| Treasurer | Adjust peddlers fees downward | Implement with FY 2006/7 budget | |
| Town Manager | Develop Capital Facilities Finance plan | Commercial Paper and Bond Applications Complete | VML Finance Director will Brief Town Council on March 29 th |
| Town Manager | Develop software plan | Draft Consultant Report Complete | Consultant Will Report on March 29 th |

Table 6

FY 2005 EMPLOYEE BENEFIT INITIATIVES

| | |
|---|-------------|
| Increase vacation and sick leave for seniority | Implemented |
| Assume employee's share of VRS | Implemented |
| Provide a 3% COLA | Implemented |
| Budget Police Officers at 171 hours/month (6% increase) | Implemented |

Attachment 6
Table 7

FY 2006/7 Major Capital Improvements

| Priority | Votes | Project |
|----------|-------|--------------------------------------|
| 1 | 7 | Public Works Yard and Building |
| 2 | 4 | South Harbor Docks |
| 3 | 3 | High School Renovation |
| 3 | 3 | New Park, Open Space and Ball Fields |
| 4 | 2 | Storm Water Management |
| 5 | 1 | Downtown Parking Facility |
| 5 | 1 | Permanent Harbor Master Building |

Table 8

Minor Capital Projects

| Priority | Votes | Project |
|----------|-------|--|
| 1 | 7 | Chipper for Public Works |
| 1 | 7 | New Backhoe and Mud Hog |
| 1 | 7 | Upgrade Lift Stations to Class I Reliability |
| 2 | 5 | IT Upgrades |
| 3 | 3 | Street Tree Planting |
| 4 | 2 | Improve Energy Efficiency of Buildings |
| 5 | 1 | Alley Repair Program |
| 5 | 1 | Lift Station Landscaping |
| 5 | 1 | “Hump” Landscaping |
| 5 | 0 | Skateboard Park |
| 6 | 0 | Central Park Drainage |
| 6 | 0 | 184/13 Landscaping Maintenance |
| 7 | 0 | Volleyball, Softball and Soccer Apparatus |

Attachment 7:

Table 9

FY 2006/7 Consultant Services

| Priority | Votes | Project |
|----------|-------|---|
| 1 | 6 | Future Land Use Plan with Strong Municipal Space Needs, Parking and Open Space Elements |
| 1 | 6 | Alley Right of Way Ownership |
| 1 | 6 | Boundary Line Adjustment Study |
| 2 | 5 | Harbor Architectural Guidelines |
| 3 | 4 | Affordable Housing Tools and Techniques |
| 4 | 4 | Public Safety Study of Police, Fire, EMS and Disaster Mgt |
| 4 | 3 | Long Range Study of Harbor Usage |
| 5 | 1 | VML Code Review |
| 5 | 1 | Continue Legal Retainer |
| 6 | 0 | Stormwater Management Study |
| 6 | 0 | Study of Underground Utilities |
| 6 | 0 | Grant Writing |
| 6 | 0 | Web Master |

Table 10

Regulatory Initiatives

| Priority | Votes | Project |
|----------|-------|--|
| 1 | 8 | Route 184 Corridor Overlay Study (Consultant Help Required) |
| 2 | 4 | Clarification of Sign Regulations, inc Real Estate Signs |
| 3 | 3 | Improve Enforcement Procedures, Forms, Letters, Applications |
| 4 | 2 | Landscape Regulations |
| 4 | 2 | Abandoned Vehicle Regulations |
| 5 | 1 | Dumpster Regulations |
| 5 | 1 | Restudy Historic Regulations (with Consultant Help) |

Attachment 8:
Table 11

Internal Operation and Program Initiatives

| Priority | Votes | |
|----------|-------|--|
| 1 | 5 | Vehicle and Equipment Preventive Maintenance |
| 2 | 3 | Inventory and Assess Town Property |
| 2 | 3 | Rethink Rental Contract for Maintenance Shop |
| 2 | 3 | Survey Town Residents |
| 2 | 2 | Smoke Test of Sewer System |
| 3 | 2 | Building Code Public Information |
| 4 | 1 | Police Sports League |
| 4 | 1 | Library Building Campaign |
| 5 | 0 | Financing for High School Renovation |
| 5 | 0 | Form Police Auxiliary |