



TOWN COUNCIL

Regular Session

May 8, 2007
7:30 p.m.

At approximately 7:30 p.m. in Town Council Chambers, Mayor Dora Sullivan called to order the Public Hearing of Town Council. In addition to Mayor Sullivan present were; Councilmen Bannon, Burdiss, Brown and Elliott. Councilman Evans was absent. Also present were Town Manager Bob Panek, Town Treasurer Pat Buckley, Town Clerk Joy Pelletier, 20 members of the public and several members of staff.

Councilman Burdiss led the invocation and Councilman Brown led the Pledge of Allegiance.

PUBLIC COMMENTS

Roxy Duncan – 619 Mason Ave.

Ms. Duncan commented on three items: 1) it was not nice to try to remove people from their Council seat; 2) it was not nice to come into Town and tell people how to live; and 3) it was not nice to hurt people from the Fire House. Ms. Duncan ended by saying people should love one another and pull together because “God does not like ugly”.

Michael Flanagan - 538 Tazewell Ave.

Mr. Flanagan stated he had comments on three subjects. He expressed his displeasure at the possibility of breaking the lease agreement with the Volunteer Fire Company that had been in place since 1955 and, to his understanding, paid in advance. He asked that Council think it through more thoroughly prior to making a decision.

Mr. Flanagan’s second comment dealt with employees serving on Town Council. It was Mr. Flanagan’s impression that the straw ballot that was taken during the last election showed the residents had no objection to employees serving on Town Council. He noted that during the election Gerald Elliott, a Town employee won a seat by popular vote. He asked Council to keep their personal feelings separate from what the “people” want.

The last item addressed by Mr. Flanagan was concerning replacement of the vacant Council seat. His suggestion was to give the people what they wanted. They had already voted, so Mr. Flanagan suggested filling the vacancy with the person who had received the largest number of votes.

Dianne Davis – 601 Jefferson Ave

Ms. Davis first remarked on the newspaper advertisement for the Recreation Coordinator. She asked what facility would be used for the year round activities. She mentioned the playground and basketball court were both useful, but there was a need for other types of activities and year round activities.

Ms. Davis then addressed the lease with the Fire ~~Department~~ Company (revised 06-12-07). She remarked that we would hate to see the Fire Department leave Cape Charles and that she hoped a compromise

could be struck.

Ms. Davis' last remarks had to do with the Beach Patrol. She asked what the requirements might be for the positions as well as what the hours would be. She suggested with the increased number of people coming to the beach, lifeguards might be a feasible use of Town funds.

Chuck Little- 8 Randolph Ave.

Mr. Little thanked the Council for discussing the need for the Youth Committee and Recreational Director. He indicated this was a very small first step and hoped that Council understood that. He asked that the public keep the pressure on Council to produce what they have promised in order to enhance the wealth of opportunities for the youth on the Shore.

Motion made by Councilman Brown, seconded by Councilman Burdiss and unanimously approved to accept the agenda as presented.

Motion made by Councilman Bannon, seconded by Councilman Brown and unanimously approved to accept the minutes as presented.

REPORT PRESENTATIONS

- A. Treasurer's Report
See attached.

Motion made by Councilman Brown, seconded by Councilman Bannon and unanimously approved to accept the Treasurer's report as presented.

- B. Planning Commission
See attached.

Jason Pruitt also announced the Steering Committee for the Harbor Architectural Designs project had met earlier in the day to review the five proposals received in response to the RFP.

- C. Historic District Review Board

Town Planner, Jason Pruitt, announced that Chairman Russ Dunton was not able to be at this portion of the meeting. Mr. Pruitt reviewed with Council the items that had been handled by the HDRB during their last meeting (refer to HDRB minutes of April 17, 2007).

In addition, Mr. Pruitt announced a training workshop for the HDRB would be held June 26, 2007 at 1:00 p.m. The second announcement was the proposed expansion of the HDRB membership and subsequent By-laws amendment.

OLD BUSINESS

- A. Regional Water Supply Plan

Mr. Pruitt reviewed with Council the progress of the "Plan" to date and informed them if Cape Charles chose not to participate in the regional plan, the Town would be required to develop its own water supply plan. He then introduced a resolution for participation in the regional plan for Council to consider.

Town Manager, Bob Panek, read the attached resolution.

Motion made by Councilman Brown, seconded by Councilman Burdiss and unanimously approved to adopt the resolution as presented. Polled vote: Elliott, yes; Bannon, yes; Burdiss, yes; Brown, yes.

NEW BUSINESS

A. Industrial Development Authority Appointments.

Mayor Sullivan announced that the Northampton County Board of Supervisors unanimously appointed Dr. Drury Stith and William Hughes to serve on the Industrial Development Authority of Cape Charles-Northampton County for a term of office ending December 31, 2010. She explained this was the old IDA that had been formed to administer the Industrial Revenue Bond financing for the Northampton Memorial Hospital and for Heritage Hall. She further explained this particular IDA would be dissolved upon retirement of the debt. In order for the appointments to be effective it would be necessary for the Town Council to also take action.

Motion made by Councilman Brown, seconded by Councilman Bannon, and unanimously approved to accept the appointments of Mr. William Hughes and Dr. Drury Stith to serve on the Industrial Development Authority.

B. Nuisance Ordinance Amendment

Mayor Sullivan introduced this item by stating that the current ordinance had no consequences for non-compliance. She added that applying monetary penalties for failure to comply might be the necessary catalyst to gain the proper observance of the ordinance.

Town Manager Panek further explained the need for compliance and stated that civil penalties did not need court action.

Motion to schedule a hearing for public comment was made by Councilman Bannon, seconded by Councilman Burdiss and unanimously approved.

C. Buildings and Building Regulations

Mayor Sullivan explained the State Property Maintenance Code had been amended on March 12, 2007; therefore an amendment to our Ordinance was required. The primary change was that any agreement to abate or remediate a code violation must be agreed to in writing by a representative of the Town.

Motion to adopt the revision to the ordinance was made by Councilman Bannon, seconded by Councilman Burdiss and unanimously approved.

D. Harbor Fees

Town Manager, Bob Panek, explained the current Town Code limited the fees for and the types of seafood. He also mentioned there was no fee schedule in place for other types of commodities that had been coming across the docks. He stated this proposed revision provided a more general ~~outline~~ authority (revised 06-12-07) for use of town property at both the harbor and beach.

Motion made by Councilman Bannon, seconded by Councilman Elliott and unanimously approved to accept the proposed fees and to schedule a public hearing to amend the Town Code Chapter 14, Beaches and Waterways – Article 1, Sec. 14-20 Charges and Fees and Article III, Sec. 14-67. Polled vote: Brown, yes; Elliott, yes; Bannon, yes, Burdiss, yes.

E. Commercial Dock Lease

Mr. Panek outlined the recent negotiations held with Gerald M. Moore & Son to renew the lease of commercial dock space on the north side of the Town Harbor for unloading of aggregate stone. He indicated with the changes in the Harbor, it had been discussed that a more flexible arrangement be made with Gerald M. Moore & Son. The final suggestion was to enter into a wharf agreement with a lease for a smaller area of the property to house equipment.

F. Nutrient Compliance Plan

Mayor Sullivan explained that each wastewater treatment plant within the Chesapeake Bay watershed had a State mandated allocation of nitrogen and phosphorus discharge. The Virginia Nutrient Credit Exchange Association had been formed as a tool to help facilities meet their standard. She further explained as a member you can “exchange” your loads and be heard as a

voice when speaking to DEQ concerning compliance issues. Mayor Sullivan announced that the Town had executed a non-binding notice of intent to participate in the exchange compliance plan.

G. Draft Budget

Bob Panek introduced the budget as prepared by staff and reviewed by the Finance Committee and the Council at their retreat. He explained the budget was approximately \$300,000 out of balance so alternatives were being considered to breach the deficit. Some of the items considered *and included in the proposed budget* (added 06-12-07) were: an increase in meals tax, institute a short term rental tax, the elimination of the DMV operation, reduction of code enforcement staff and reduce the capital spending projects.

Motion made by Councilman Bannon, seconded by Councilman Burdiss and unanimously approved to hold a public hearing on May 29, 2007 to hear comments on the proposed budget.

H. Revised Utility Rates

Mayor Sullivan reviewed the changes in the water and sewer rates. In order to minimize the impact of this increase on low income residents, she mentioned a credit of \$6.00 per month was proposed. Proper documentation would be required in order to qualify for the credit.

In addition to the changes in water and sewer rates, an increase of \$.75 in the garbage rates had been proposed to help balance revenue and expense in the Sanitation fund.

Further discussion by the Council included educating the public on water reduction strategies.

Also discussed was the impact to the Laundromat, but further discussion on that issue was tabled.

Motion to adopt the rate schedule for the increase to water, sewer and garbage as presented and include the \$6.00 credit for low income residents made by Councilman Burdiss, seconded by Councilman Bannon and approved with one opposed.

I. Revised Water and Wastewater Connection charges.

Bob Panek stated that demand projections indicated additional water and wastewater treatment capacity would be needed in the future. Council had discussed funding the necessary improvements by raising connections charges. For existing *commercial* (added 06-12-07) properties, it was suggested leaving the current rates in place as an incentive towards rehabilitation.

Motion made by Councilman Burdiss, seconded by Councilman Brown and unanimously approved to take the item to public hearing.

J. Revised Meals Tax

Dora Sullivan, Mayor, explained that the meals tax was in place to fund projects designed to enhance the visual attractiveness of the community and fund activities that attract visitors. With the recent beach replenishment, the majority of the funds had been used to offset the financing leaving little available to fund other activities. An increase in the meals tax would allow additional spending towards town enhancement for the tourists.

Motion made by Councilman Bannon, seconded by Councilman Burdiss and unanimously approved to take the increased meals tax proposal to public hearing.

K. Short Term Rental Tax

Mayor Sullivan reported the opportunity had arisen to levy a short term rental tax (allowed by the Code of Virginia). The funds would be used for streetscape and sidewalk repair.

Motion made by Councilman Bannon, seconded by Councilman Burdiss and unanimously approved to take the proposed Short term Rental Tax to public hearing.

ANNOUNCEMENTS

The Cape Charles Trail Planning Workshop would be held on Wednesday, May 23, 2007 at 6:30 p.m. in

the Town Council Chambers.

The Building Department would be closed on May 9th, 10th and 11th for training and software conversion.

Motion made by Councilman Brown, seconded by Councilman Bannon and unanimously approved to adjourn the Regular Session of Town Council.

Mayor

Town Clerk