



TOWN COUNCIL
Regular Meeting
St. Charles Parish Hall
March 11, 2010
7:00 PM

At 7:00 p.m. Mayor Dora Sullivan called to order the Regular Meeting of the Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Bennett, Burdiss, Elliott, Evans and Veber. Also in attendance were Town Manager Heather Arcos, Town Planner Tom Bonadeo, Town Consultant Bob Panek and Town Clerk Libby Hume. The Department Heads were also in attendance along with fourteen (14) members of the public.

PUBLIC COMMENTS:

Mr. David Boyd, 22146 Verlinda Landing in the Tower Hill subdivision, addressed the Council stating that he heard that Northampton County's Public Service Authority Committee was discussing mandatory sewer system hookups. Mr. Boyd continued regarding the proposed boundary adjustment to incorporate Tower Hill as part of Cape Charles. Mr. Boyd read nine (9) points and requested the Council take these points into consideration and remove Tower Hill from the proposed boundary adjustment process. Mr. Boyd also submitted a petition containing 29 signatures from Tower Hill property owners supporting his request along with copies of several emails. (see attached)

Mr. Donald Clarke, 304 Fig Street, addressed the Council requesting continued support for the Arts Enter. Mr. Clarke stated that in 1987 a Local Government Challenge Grant was established through the Virginia Commission for the Arts which provides funding assistance for local arts. In previous years, the Town of Cape Charles has allotted \$2500 for the Arts Enter which was matched by this grant for a total of \$5K going to the Arts Enter. Mr. Clarke concluded by asking the Council to consider once again donating to the Arts Enter and help them carry on their mission. Councilman Veber stated that he and his wife often go to Onancock to see movies and asked whether the Arts Enter had considered showing recent movies. Mr. Clarke stated that the Arts Enter had tried showing movies in the past but was cost prohibitive at the time but added that he would look into the possibility again. With new technology, it may be more affordable.

There were no further comments from the public in attendance nor any written comments submitted prior to the meeting.

CONSENT AGENDA:

Mayor Sullivan stated that the Recreation Report will be moved to the beginning of the Report Presentations.

Motion made by Councilman Bannon, seconded by Councilman Burdiss to approve the agenda as amended. Hearing no objections, the motion was approved by unanimous consent.

The Town Council reviewed the minutes of the February 2, 2010 Joint Public Hearing with the Planning Commission, the February 11, 2010 Public Hearing and the February 11, 2010 Regular Meeting.

Motion made by Councilman Burdiss, seconded by Councilman Bennett to approve the minutes for the February 2, 2010 Joint Public Hearing with the Planning Commission, the February 11, 2010 Public Hearing and the February 11, 2010 Regular Meeting. Hearing no objections, the motion was approved by unanimous consent.

REPORT PRESENTATIONS:

D. *Recreation Report:*

Community Events / Recreational Coordinator Jen Lewis reported the following: i) April 10th has been designated as “Encourage Young Writers Day” and in honor of that day, an essay contest, divided into four (4) age groups, has been scheduled. The topics will have a nautical theme and the winner will be announced on Saturday, April 10th, at the Blessing of the Fleet Kids Central; ii) A Teen Dance will be held on Saturday, March 13th, from 7:00 – 9:30 PM, at the St. Charles Parish Hall; iii) On Saturday, March 20th, there will be a skateboard demonstration presented by Mike’s Skatepark; and iv) An Easter Egg Hunt has been scheduled for Saturday, March 27th, at Aqua, and a volunteer is needed to play the Easter Bunny.

A. *Town Manager’s Report:*

Town Manager Heather Arcos reported the following: i) It is an honor to be named Public Servant of the Year by the Northampton County Chamber of Commerce. Heather expressed gratitude to the Mayor and Council for the privilege to serve the people of the Town and added that she shares the honor with the Town staff; ii) A presentation was given to the Cape Charles Rotary Club regarding the potential regional wastewater system; iii) Updates were given to the Cape Charles Women’s Club regarding the various activities that have been held since the hiring of Community Events / Recreational Coordinator Jennifer Lewis and the Central Park Trail Project; iv) A preconstruction meeting was held on March 4th with Precon Marine regarding the plans for the breakwater and a Notice to Proceed was issued. Construction is scheduled to begin in April; and v) Work Sessions have been scheduled for the Council to begin work on the budget for fiscal year 2010/2011.

B. *Treasurer’s Report:*

Treasurer JoAnna Leatherwood reported that the Treasurer’s Report dated February 28, 2010 showed \$677,597 in the Bank of America checking account and \$2,874,061 in the Local Government Investment Pool (“LGIP”) with a Total Cash on Hand of \$3,551,659. JoAnna Leatherwood informed the Council that the Town has collected more this year in real estate taxes than what was budgeted, but approximately 92% of the total billed, mainly due to the collection of back taxes during the foreclosure or property transfer process. The delinquent tax bills will be issued soon and will include a 10% penalty. JoAnna Leatherwood added that the auditors were at the Town offices for two days earlier this month and she was notified that the cost for next year’s audit will increase due to separate audits that must be performed regarding the Federal grants received by the Town.

Motion made by Councilman Bennett, seconded by Councilman Bannon to approve the Treasurer’s Report as presented. Hearing no objections, the motion was approved by unanimous consent.

C. *Library Report:*

Librarian Ann Rutledge reported the following: i) The Library has been very busy with customers coming in to use the computers and circulation is up with 287 more books being checked out over last year; ii) On February 17th, a seminar was held on Black History and Genealogy featuring Frances B. Latimer, a local historian, and 20 people attended; iii) On February 24th, the Library sponsored a Harrington Casino Bus Trip. The next trip to the Harrington Slots is scheduled for March 24th; iv) On February 25th, a presentation by Officer Nick Braatz regarding Identity Theft was held; v) On March 20th, Dr. Jeanne Roll will conduct classes on Decorating Ukrainian Easter Eggs at the St. Charles Parish Hall at 10:00 AM and 1:00 PM. There is a \$10 cost for this class; vi) On March 22nd, the Library will present a Diabetes Workshop with nurse practitioner Theresa Long. Diabetes testing will also be available; vii) On March 27th, local author Judi McCoy will present a seminar entitled “So You Want to Write a Book” and a follow-up seminar entitled “So You Want to Publish Your Book” has been scheduled for April 10th; and viii) new doors will be installed soon at the Library. Ann Rutledge thanked the members of the Library Board and the Friends of the Cape Charles Memorial Library for all their assistance and added that without their help, none of the activities at the Library could happen.

E. *Code Enforcement / Central Park Trail Update*

Combination Inspector Jeb Brady reported the following regarding the Central Park Trail Project: i) Construction has been moving slowly due to the adverse weather conditions; ii) With the various changes made to the plans which resulted in reduced costs, the Town will be able to sod the entire Park and install a full irrigation system; and iii) Tree relocations are still at a standstill due to the wet ground conditions but alternative ways to save and protect the trees that have not been relocated yet are being considered.

F. *Public Works / Public Utilities Report:*

Public Works / Public Utilities Director Dave Fauber reported the following: i) the Library doors will be replaced soon; ii) Bundick will be drilling several test wells and the production wells will be put out to bid; iii) The Town has been meeting with FEMA representatives regarding Federal assistance for debris cleanup and repairs to the pier and boardwalk. The Town is expecting approximately \$100K; iv) Tom Bonadeo is working on a plan to move sand from the south end of the beach and the dunes to replenish some of the sand on the north end; and v) FEMA requires municipalities to budget yearly for beach maintenance/sand replenishment. \$20K will be allocated in the budget for FY 2010/2011 for this purpose.

G. *Harbor Report:*

Harbor Master Smitty Dize reported the following: i) The Town is looking for a seasonal harbor assistant to work beginning April 1st. An advertisement has been placed in the Eastern Shore News with a deadline of March 12th; ii) Seven fishing boats came into the Harbor recently; and iii) The Blessing of the Fleet VIP invitations have gone out and he received a phone call from the office of the President of the United States acknowledging receipt of the invitation and notifying him of the process involved in responding to an invitation. The caller stated that the Town would be notified regarding the President's acceptance at a later date.

H. *Planning Commission / Historic Review Board / Harbor Area Review Board Report:*

Town Planner Tom Bonadeo reported the following: i) Scott Hardaway, a professor at the Virginia Institute of Marine Science, will be in Town to meet with some of the members of the Wetlands Board regarding plans on how to better maintain the beach. The current plan is to reduce the height of the dunes and spread the sand towards the water. A sand fence will then be installed by the boardwalk to keep the sand in the beach area; ii) With the changes made regarding the design and plans of the Central Park Trail, the Town will now be able to install irrigation for the entire park. Shallow wells will need to be installed. Also, in researching the issue of shallow wells, it was discovered that changes were approved by Council but an ordinance was not adopted and the changes were never updated in the Town Code. This correction will be forwarded to the Council for review at a future meeting.

OLD BUSINESS:

A. *Potential Regional Wastewater System*

Town Consultant Bob Panek informed the Council that the Public Service Authority (PSA) Exploratory Committee has held three meetings to identify issues and form recommended changes to the PSA Articles of Incorporation. Significant progress has been made in defining the recommended scope, initial projects and membership of the PSA. Some recommendations for the PSA are as follows: i) Water systems should be included in the scope of the PSA but this does not mean that water systems will be extended in the same areas as wastewater; ii) The County and each Town (Cape Charles, Cheriton, Exmore and Nassawadox) shall appoint one member to serve on the PSA. Those five members will appoint two additional members who are residents in the County to serve at large; and iii) The At Large members shall not be elected officials. The final recommendations will be brought to each governing body for approval after appropriate public notice.

Bob Panek went on to review the Project Schedule with the Council and explained that the tight schedule was due to the deadline for Federal Stimulus money which expires September 30, 2010. There is a significant amount of grant money available, including the Federal Stimulus funds, and the project could possibly be 90% grant funded.

Mayor Sullivan asked the Council if there were any objections with moving New Business Items 7C – Eastern Shore Tourism Commission Presentation / Funding Request and 7D – Cape Charles Business Association Presentation up in the agenda so the representatives from the two associations would not have to wait until later in the meeting. There were no objections.

NEW BUSINESS:

C. Eastern Shore of Virginia Tourism Commission Presentation / Funding Request

Ms. Carol Evans, Chairwoman of the Tourism Commission for both Accomack and Northampton Counties, thanked the Town and Harbor Master Smitty Dize for helping spread the Eastern Shore Brand by printing the brand on the Blessing of the Fleet invitations. Ms. Evans went on stating that tourism is a highly competitive industry and their mission is to attract visitors. The Eastern Shore Welcome Center opened mid-August 2009 and since that time there have been over 33K visitors. There have been over 1.6M visitors to their website and a new website is under development.

Ms. Donna Bozza, Director of the Eastern Shore of Virginia Tourism Commission, presented information on the Welcome Center stating that the Welcome Center averaged 1,100 visitors per week, even though they were closed two days per week. There had been a jump in the number of visitors over the last several weeks to 275 – 300 visitors per day. Ms. Bozza showed the Council the new Eastern Shore Passport surveys which asked visitors where they came from and where their destination was. The top two destinations on the Eastern Shore are Chincoteague with 43% and Cape Charles with 39%. Ms. Bozza thanked Cape Charles for supporting the Tourism Commission by providing approximately \$5K per year in occupancy taxes and the additional \$5K donation towards the Welcome Center last year, but with the current budget shortfall, she was unsure if the Tourism Commission could continue to operate and staff the Welcome Center.

D. Cape Charles Business Association Presentation

Mr. Malcolm Hayward, President of the Cape Charles Business Association (CCBA), reviewed the activities held by the CCBA and over the past year stating the he felt that the CCBA did a good job in its first year with the implementation of the Saturday Stroll, placement of a billboard along Route 13, the development of their website and offering web pages to businesses in Town, and the Fall Festival was a success with all stores in Town doubling their revenue for the day of the festival. This year the CCBA is working with Harbor Master Smitty Dize on the Blessing of the Fleet. They have taken over the organization of the Birding Festival from the Eastern Shore Chamber of Commerce. Other activities planned for this year are: i) The Fall Festival; ii) October Fest with Kelly's Pub; iii) Trunk or Treat; iv) Assist the Chamber of Commerce with the Harbor Parties; and v) Development of a Cape Charles Guide for the Welcome Center. Mr. Hayward presented a Meals Tax Revenue Graph showing significant increases in revenue in the summer months which indicated that Cape Charles was a tourist town. Mr. Hayward went on stating that there were four factors for the Town to consider: i) Attitude. Everyone must believe that Cape Charles is the best destination and vacation spot on the East Coast; ii) Money, which is always scarce. The Council must make sure that money at some level goes toward the promotion of tourism; iii) Volunteers. The CCBA operates with volunteers and is always looking for anyone interested in helping; and iv) First impressions. There are four or five vacant buildings along Mason Avenue and asked that the Council get the property owners to do something about them.

OLD BUSINESS:

B. Boundary Adjustment Memorandum of Agreement with Cheriton & Boundary Adjustment Subcommittee Update

Tom Bonadeo stated that the Boundary Adjustment Sub-Committee met on February 22nd and discussed a scope of work and the steps required to meet legal requirements for a boundary adjustment and had agreed on a Memorandum of Agreement (MOA) for the study of a potential boundary adjustment. It is expected to take the remainder of the calendar year to make significant progress toward an understanding of the impacts of a boundary adjustment and the MOA recognizes the significance of other processes already underway that may impact this study, such as a regional wastewater system and other possible planning arrangements, as well as recognizing the value of collaboration in this effort. The Council reviewed the MOA developed by the sub-committee which was approved by the Cheriton Council at their February meeting.

Motion made by Councilman Bennett, seconded by Councilman Burdiss to adopt the MOA between the Towns of Cape Charles and Cheriton. The motion was approved by unanimous consent.

NEW BUSINESS:

A. *Re-Appointment of Members for Planning Commission and Other Boards*

Tom Bonadeo stated that there were several members of appointed boards and commissions whose terms have expired and recommended the Council review the list of members and reappoint the members to their respective boards and commission for another term as follows:

Planning Commission – Joan Natali, term expired October 31, 2009

Historic District Review Board – Russ Dunton, term expired January 8, 2010

Harbor Area Review Board – Joan Natali, Planning Commission Representative, term expired October 31, 2009 and Russ Dunton, Historic District Review Board Representative, term expired January 8, 2010

Board of Zoning Appeals – Julia Parr, term expired October 31, 2009

Building Code Board of Appeals – Donnie Brady, term expired September 10, 2009

Library Board – Jackie Chatmon and Dianne Davis, terms expired August 8, 2009

Motion made by Councilman Bannon, seconded by Councilman Elliot and unanimously approved to reappoint the members to their respective boards and commission for another term as discussed.

B. *Schedule Public Hearing re: Name Change for STIP & PD-STIP Districts and Rezoning of Parcel 90-A-4C from PD-STIP to Open Space*

Tom Bonadeo explained that the STIP and PD-STIP zones were named for the Sustainable Technology Industrial Park which no longer exists. The Planning Commission recommended name changes to better describe each zone and nothing else in the zone will change. The name of PD-STIP would be changed to “General Business/Light Industrial – H1.” The “H-1” designation is a reference to the location of the zone to the Harbor and the uses would not change. The name of STIP would be changed to “Industrial – M2” and the uses would not change. The Planning Commission held a public hearing and no comments were heard regarding this issue.

The Planning Commission is also recommending rezoning of Parcel 90-A-4C, which is an approximately 28-acre site bounded by the Chesapeake Bay, Bayshore Concrete, South Port and Bay Creek, from PD-STIP to Open Space. The parcel is currently owned by Northampton County but will soon be transferred to the Virginia Department of Conservation and Recreation. The Planning Commission held a public hearing and had one comment in the form of a letter from Mr. Richard Foster of Bay Creek Resort and Club. The rezoning will not change items prescribed in the deed and Mr. Foster indicated that he does not object to the rezoning.

Tom Bonadeo requested the Council to schedule a public hearing for April 8th, immediately preceding their next regular meeting, to hear comments regarding the proposed name changes for the PD-STIP and STIP zones and the rezoning of Parcel 90-A-4C from PD-STIP to Open Space.

Motion made by Councilman Evans, seconded by Councilman Elliott, to schedule a public hearing for April 8, 2010 to hear comments regarding the proposed name changes for the PD-STIP and STIP zones and the rezoning of Parcel 90-A-4C from PD-STIP to Open Space. The motion was approved by unanimous consent.

E. *Water Reuse System*

Bob Panek informed the Council that the process of implementing water reuse has begun to position the Town for continued growth. Stearns & Wheler, the Town's engineering firm, is working on modifying the UV Disinfection/Post Aeration Facility to allow reuse as well as the pipeline to the Bay Creek pond system. Stearns & Wheler have also commenced the reuse site Water Balance Study required by the DEQ permitting process. Once the design is complete, the Town plans to negotiate a change order to construct the reuse system. Councilman Bennett stated that a number of items can go wrong and if anything does go wrong, he requested that the Council be informed.

F. *Water Storage Tank Contract Award*

Heather Arcos informed the Council that the water storage tank was constructed in 1991 and minimal maintenance has been performed since its construction. The exterior of the steel tanks should be painted every 8-10 years making Cape Charles' tanks approximately 10 years overdue.

Dave Fauber stated that an invitation for bid was put out on January 16, 2010 and closed on February 17, 2010. Four bids were received and Southern Corrosion came in as the second lowest bid with a difference of \$25K over 10 years. Dave Fauber reviewed the IFB Contractor Talley Sheet which showed a 10-year breakdown of costs from the four bidders as well as the Water Tank Management Schedule from Southern Corrosion Inc. The first four years of the contract are weighted heavy to cover the initial painting which includes both interior and exterior painting. After the first four years, the price drops considerably but continues to cover the painting and repairs to the tank completely. The Town would be committed to the first four years and can drop the contract at any time afterward. Council budgeted \$40K this year to begin the maintenance plan for the next 10 years and Southern Corrosion was the only bidder that came in below \$40K for the first four years.

Motion made by Councilman Bannon, seconded by Councilman Veber, to authorize the Town Manager to execute the Water Tower Maintenance contract with Southern Corrosion, Inc. The motion was approved by unanimous consent.

G. *Schedule Public Hearing re: Town Code Corrections / Modifications*

Heather Arcos informed the Council that over the years, several procedural changes have been made which required the adoption of ordinances by Council in order to amend the Town Code. It has been determined that in many cases, the required ordinances were not adopted; therefore the appropriate changes were never made to the Town Code. The Council reviewed the proposed corrections / modifications relating to four issues as follows: i) Section 2-3 – Fee for Passing Bad Checks to Town. Prior to 2004, the Town increased the Returned Check Fee from \$20 to \$30; ii) Section 38-37 – Financial, Real Estate and Professional Services. Prior to 2004, the Town increased the Business, Professional and Occupational License (BPOL) Tax from \$.50 per \$100 to \$.58 per \$100; iii) Section 66-57 – Transient Occupancy Tax. In February 2003, the Transient Occupancy Tax (TOC) was increased from 2% to 4% and this change is reflected in the Town Code. In August 2007, the TOC was increased by another 1% with the revenue from this 1% increase going to the Eastern Shore of Virginia Tourism Commission. The Town Code has not been updated and the Town is actually charging 3% TOC with 1% of the revenue going to the Tourism Commission; and iv) Sections 42-19 through 42-31 – Local Vehicle License. In June 2009, the Council approved the elimination of the local vehicle decal and a Vehicle License Tax was included as part of the Personal Property Tax bills which were payable in December 2009. In order to make these corrections to the Town Code, public hearings must be held regarding these changes / corrections prior to the adoption of the new ordinances.

Motion made by Councilman Burdiss, seconded by Councilman Bennett, to schedule a public hearing for April 8, 2010 preceding the regular meeting of the Town Council to hear comment regarding the proposed modifications to Sections 2-3, 38-37, 66-57 and 42-19 through 42-31. The motion was approved by unanimous consent.

H. Federal Highway Safety Grant Application

Heather Arcos explained that the Federal Highway Safety Grants are awarded annually to law enforcement agencies across the Commonwealth to combat violations of alcohol/impaired driving, occupant protection – seat belts/child passenger safety, aggressive driving/speeding, and pedestrian and bicycle safety. The Town applied for this grant last year but did not receive any funds. Chief Charles Brown stated that if approved, funds from this grant would be used to purchase needed equipment used to enforce the Town’s Driving Under the Influence laws and to pay for saturation patrols and highway check points in our jurisdiction. This grant requires a 20% match but the Town will be able to show fuel usage and vehicle maintenance costs towards the match. Chief Brown requested approval to submit the grant application by the March 15, 2010 deadline.

Motion made by Councilman Bennett, seconded by Councilman Elliott, to approve the submission of the application for the Federal Highway Safety Grant by March 15, 2010. The motion was approved by unanimous consent.

Councilman Veber stated that a citizen went into Sullivan’s Office Supply regarding a strange car that was driving around the Town asking what they should do. They did not want to call 911 since it was not an emergency. Councilman Veber stated that he had asked Chief Brown for some information which could be disseminated to the citizens of Town to inform them of important phone numbers to call for non-emergency police assistance. Chief Brown provided magnets with the non-emergency dispatch number for the Cape Charles Police Department. These magnets were provided to the children of the Cape Charles Christian School along with Safety Coloring Books and can be distributed at functions, etc. Councilman Veber also suggested designating a “Safe Place” in Town where children can go if needed and Chief Brown will check into this issue.

ANNOUNCEMENTS:

- March 22, 2010 – Boundary Adjustment Sub-Committee, 5:00 PM
- March 25, 2010 – Town Council Budget Work Session, 6:00 PM
- April 1, 2010 – Town Council Budget Work Session, 6:00 PM
- April 8, 2010 – Town Council Regular Meeting, 7:00 PM
- April 13, 2010 – Town Council Budget Work Session, 6:00 PM
- April 29, 2010 – Town Council Budget Work Session, 6:00 PM

Motion made by Councilman Bennett, seconded by Councilman Evans to adjourn the Town Council Regular Meeting. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk