



**TOWN COUNCIL**  
**Regular Meeting**  
**St. Charles Parish Hall**  
**May 13, 2010**  
**7:00 p.m.**

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, Consultant Bob Panek, Town Clerk Libby Hume, Councilman-elect Michael Sullivan and Councilwoman-elect Joan Natali. The Department Heads were also in attendance along with six (6) members of the public.

**PUBLIC COMMENTS:**

Mr. Scott Walker, 528 Washington Avenue, addressed the Council regarding electric cars referring to an article in the May 10, 2010 edition of the Wall Street Journal. Mr. Walker asked the Council to prepare for the arrival of electric vehicles and possibly perform a study regarding the issue and ask the A&N Electrical Cooperative to install several charging stations to accommodate electric vehicles. Mr. Walker added that by doing so, Cape Charles would be a "green" town which would help with tourism.

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 New Business Item 7A, National Safe Boating Week Proclamation, will be moved before the Report Presentations and Item 5F, Code Enforcement / Trail Update will be deleted since the Cape Project Trail Update is an agenda item.

**Motion made by Councilman Bannon, seconded by Councilman Bennett to approve the agenda as amended. The motion was approved by unanimous consent.**

The Town Council reviewed the minutes of the April 8, 2010 Executive Session, April 8, 2010 Public Hearing, April 8, 2010 Regular Meeting, April 13, 2010 Work Session, April 19, 2010 Executive Session, April 22, 2010 Special Meeting, April 22, 2010 Work Session and May 6, 2010 Work Session.

Councilman Bennett stated that he would abstain from the vote on the April 13, 2010 Work Session since he was not in attendance. Councilman Veber pointed out that in the April 22, 2010 Work Session minutes, the total increase for water and wastewater should show \$3.20 vs. \$3.25. Councilman Evans pointed out that the May 6, 2010 minutes should state that Councilman Elliott was not in attendance vs. "Council Evans."

**Motion made by Councilman Burdiss, seconded by Councilman Elliott to approve the minutes for the April 8, 2010 Executive Session, April 8, 2010 Public Hearing, April 8, 2010 Regular Meeting, April 13, 2010 Work Session, April 19, 2010 Executive Session, April 22, 2010 Special Meeting, April 22, 2010 Work Session and May 6, 2010 Work Session as amended. The motion was approved by unanimous consent.**

**NEW BUSINESS:**

A. *National Safe Boating Week Proclamation*

U. S. Coast Guard Auxiliary Flotilla Commander John Carey informed the Council that in the past two weeks, ten individuals have perished in boating accidents and two boaters are currently missing in Beaufort, NC. Even though boating safety is a year-round effort, May 22 – 28, 2010 has been named National Safe Boating Week. Mayor Dora Sullivan read Proclamation 20100513 Proclaiming May 22 – 28, 2010 as National Safe Boating Week.

**Motion made by Councilman Veber, seconded by Councilman Elliott, and unanimously approved to adopt Proclamation #20100513 naming the week of May 22 – 28, 2010 as National Safe Boating Week. Roll call vote: Bannon, yes; Bennett, yes; Burdiss, yes; Elliott, yes; Evans, yes; Veber, yes.**

**REPORT PRESENTATIONS:**

A. *Town Manager's Report:*

Town Manager Heather Arcos reported the following: i) The Town received news that it was awarded a grant in the amount of \$447K from the Virginia Port Authority for Harbor improvements; ii) The Breakwater Project is moving along. Concrete blocks were relocated from the Harbor side of the breakwater to the Bay side and bedding stone was added to increase stabilization; iii) The Town recently purchased five lots from Lan-Par Corp. which are adjacent to the Public Works maintenance shop. The purpose of this acquisition is to provide additional storage for the Town's equipment and help in centralizing the Town's Public Works Department; and iv) There are two new businesses in Town, Breezes Day Spa and Gallery 209, and Heather Arcos encouraged everyone to visit.

B. *Treasurer's Report:*

Treasurer JoAnna Leatherwood reported that the Treasurer's Report dated April 30, 2010 showed \$488,989 in the Bank of America checking account and \$2,616,036 in the Local Government Investment Pool ("LGIP") with a Total Cash on Hand of \$3,105,026. The deadline for payment of business license tax has passed and two businesses that owe delinquent amounts have come in. One business has set up a payment plan and the other has paid a deposit of estimated taxes. There is another business in Town that is still delinquent and legal counsel will be writing a letter to this business owner.

**Motion made by Councilman Burdiss, seconded by Councilman Elliott, to approve the Treasurer's Report as presented. The motion was approved by unanimous consent.**

C. *Harbor Report:*

Harbor Master Smitty Dize reported the following: i) Precon Marine is moving along with the Offshore Breakwater construction which is approximately 10 days behind schedule due to weather. The estimated completion date is expected to be between June 15 – 18, 2010; ii) The \$447K grant from the Virginia Port Authority was great news; iii) The number of weekly rental reservations are increasing so the monthly slip rentals are being discontinued at this time with the exception of the commercial watermen; iv) The Harbor Redevelopment Plan allows for space for a seafood restaurant. Smitty Dize informed the Council that they may want to consider moving forward with this construction; and v) 18,477 bushels of crabs have come into the Harbor during the month of April.

D. *Recreation Report:*

Community Events / Recreational Coordinator Jen Lewis reported the following: i) A safety seminar was held on May 8<sup>th</sup> where children were fingerprinted and photographed. Approximately 20 children attended this event; ii) The events at Heritage Acres continue to be successful with bingo and arts & crafts. Several residents expressed an interest in going to the Harrington Slots but stated they could not participate due to the cost. In order to increase participation for arts & crafts, the Town will be raffling off a trip to the Harrington Slots. For each day a resident participates in the arts & crafts, they will receive a raffle ticket for a chance to win a free trip. Mayor Sullivan added that the residents of Heritage Acres are very interested in what happens in Town and asked that hard copies of the Gazette be distributed at Heritage Acres since many residents do not have access to the Internet; and iii) A number of Town residents have stated that they would like to play bingo, but due to the limited space, they cannot play at Heritage Acres. Jen Lewis is looking for a location to hold bingo for the Town residents.

E. *Library Report:*

Librarian Ann Rutledge reported the following: i) Jen Lewis is also holding arts & crafts at the Library on Wednesday afternoons; ii) More people are coming into the Library to use the fax machine and copier; iii) When Walmart recently announced their acceptance of employment applications, numerous individuals came to the Library to use the computers to complete their applications; iv) Flyers for the 2010 Summer Reading Program and the Summer Kids Movie Nights were distributed listing the upcoming events at the Library. Ann Rutledge informed the Council that the programs were made possible by the donations and fundraising efforts of the Friends of the Library (FOL); and v) Each year, the FOL awards a \$500 scholarship to a graduating senior to help with the cost of books for college. This year, two qualified applications were received and the FOL gave each student a \$500 scholarship.

F. *Code Enforcement / Central Park Trail Update*

There was no Code Enforcement / Trail Update. The Cape Charles Trail Project Update was included in the meeting agenda for a detailed update presentation.

G. *Public Works / Public Utilities Report:*

Public Works / Public Utilities Director Dave Fauber reported the following: i) The beach replenishment project is scheduled to start next Monday, May 17<sup>th</sup>; ii) Two new well sites have been located on the Keck property in the upper aquifer. A meeting has been scheduled with Mr. Dixon Tucker of the Virginia Department of Health on Tuesday afternoon, May 18<sup>th</sup>. Representatives from the Department of Environmental Quality have also been on site and work should begin on the wells in the next couple of weeks; and iii) The exterior painting of the water tower should be completed tomorrow, May 14<sup>th</sup>. The interior of the tower will be painted in the fall.

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

Town Planner Tom Bonadeo reported the following: i) The Board of Zoning Appeals (BZA) held a public hearing and meeting on March 31<sup>st</sup> regarding a rear yard setback for a new house at 607 Pine Street. The Board recessed this meeting to obtain a legal opinion regarding the time limitation of variances as described in the Town's ordinance. Legal counsel recommended the original variance be upheld and the ordinance be changed to remove the time limitation as the Code of Virginia does not explicitly allow time limits on variances. The BZA reconvened on April 29<sup>th</sup> and upheld the original variance and the applicant withdrew the current application. The Planning Commission will review the changes to the Town's zoning ordinance relating to time limitations on variances; and ii) The first house is getting ready to be built in the Bay Vistas

development which is located between the old Coast Guard housing and the Sea Breeze apartments.

**OLD BUSINESS:**

**A. *Wastewater Treatment Plant (WWTP) Status***

Consultant Bob Panek updated the Council with the status of the new WWTP construction stating that the site of the new WWTP has been cleared, graded and erosion and sedimentation control measures have been installed. The excavation work for structures and roadway has been completed. The concrete work for the UV/Post Aeration Facility and bio-reactor tanks is underway and the permeate pipe from the Process Building to the UV/Post Aeration Facility has been installed. The concrete work for the walls should begin next week. The Town is working with the Virginia Resources Authority and Bond Counsel to prepare the VCWRLF loan agreement, public advertisement and resolution for the \$5.4M zero-interest loan which will replace the interim financing through the VML/VACo Commonwealth Loan Program. A public hearing needs to be held prior to incurring this debt.

**Motion made by Councilman Evans, seconded by Councilman Bennett and unanimously approved to schedule a public hearing for June 10, 2010 on the resolution to incur the debt for the \$5.4M zero-interest loan.**

**B. *Potential Regional Wastewater System***

Bob Panek stated that the Public Service Authority (PSA) Exploratory Committee has met several times to identify issues and form recommended changes to the PSA Articles of Incorporation and have reached a consensus on the membership structure and initial project focus. Bob Panek continued with a presentation which reviewed the various issues in detail. There was much discussion regarding the transfer of ownership of the Cape Charles Wastewater Treatment and Water Treatment Plants to the PSA as well as the membership structure of the PSA Board. Bob Panek went on stating that the Council needs to consider three items to continue progress on reforming the PSA and securing the grant/loan package from USDA RD as follows: i) The Council needs to forward the name of the candidate for the Cape Charles representative to the PSA Board; ii) Two community members need to be appointed to the Project Management Team; and iii) The Council needs to confirm their willingness to participate in a joint meeting on June 21<sup>st</sup> with the County Board of Supervisors and Town Councils of Cheriton, Exmore and Nassawadox to hear public comments and to vote on the resolution adopting the revised PSA Articles of Incorporation. The Council agreed that an executive session will be held on Tuesday, May 18<sup>th</sup>, to discuss candidates to serve as the Cape Charles representative to the PSA Board. The Council agreed to appoint Mr. Jeff Klingel and Ms. Dianne Davis, both of whom volunteered, to the Project Management Team to represent Cape Charles.

**Motion made by Councilman Burdiss, seconded by Councilman Bennett to participate in a joint public hearing and meeting on June 21, 2010 at the former middle school in Machipongo with the County Board of Supervisors and the Town Councils of Cheriton, Exmore and Nassawadox. The motion was approved by unanimous consent.**

**C. *Water Reuse***

Bob Panek explained that the Town is well into the process of implementing water reuse to allow for continued growth. The modified UV Disinfection/Post Aeration Facility has been designed as well as the pipeline to the Bay Creek pond system and a change order to the construction contract will be negotiated with W.M. Schlosser in the near future. An agreement has been reached with Bay Creek Resort and Club for use of the pond system but a full water reuse agreement still must be prepared. A request has been submitted to the Department of Environmental Quality (DEQ) to waive the 50' water impoundment setback requirement in the

state regulation. DEQ is supportive and has indicated that they will sponsor a legislative change to the regulation to resolve this issue. The Reuse Water Management Study required by the DEQ permitting process has commenced but completion of this is on hold until the setback issue is resolved. Councilman Bennett asked how long this legislation is anticipated to take. Bob Panek responded that the next General Assembly session convenes in January 2011 and is expected to conclude in February 2011.

D. *Mason Avenue Pump Station & Force Main Modernization*

Bob Panek informed the Council that the Town has been correcting many problems associated with fresh water inflow and infiltration into the wastewater system which will significantly decrease the potential for wastewater overflows, particularly at the Mason Avenue pump station, and will reduce the operating costs of the new WWTP. Design and alignment of the new Fig Street and Mason Avenue force mains is now complete and the Town is in the process of obtaining the necessary permanent and temporary easements from property owners. The Town is in the final design process for the extensive upgrade to the Mason Avenue pump station including the new control building preferred by Council. Construction will not begin until after the tourist season.

E. *Cape Charles Trail Project Update*

Tom Bonadeo and Jeb Brady presented a detailed update on the Central Park Project showing photographs of various areas in the park. The presentation covered the following: i) the non-motorized trail / sidewalk; ii) the Gazebo steps and handicap ramp; iii) the brick pavers at the nodes; iv) the completion of the tree relocations; v) a diagram showing the entire park; vi) the entrances around the park; and vii) the fountain. Tom Bonadeo stated that some of these improvements are being done with over \$19K from donations from the Citizens for Central Park.

**NEW BUSINESS:**

B. *Industrial Development Authority of Cape Charles-Northampton County Appointment*

Heather Arcos informed the Council that the Northampton County Board of Supervisors unanimously appointed Mr. George E. Gowen, Jr. to the Industrial Development Authority (IDA) of Cape Charles-Northampton County at their April 13, 2010 meeting to replace Ms. Elizabeth Neal whose term expired December 31, 2009. Mr. Gowen's term will expire December 31, 2013. As this IDA affects both Northampton County and the Town of Cape Charles, the Cape Charles Town Council must also act on the appointment in order for it to become official.

**Motion made by Councilman Bannon, seconded by Councilman Bennett to accept the appointment of Mr. George E. Gowen, Jr. to the IDA of Cape Charles-Northampton County for a term to expire December 31, 2013. The motion was approved by unanimous consent.**

C. *Joint IDA Appointee Term Resolution*

Heather Arcos informed Council that the Joint IDA of Northampton County and Its Incorporated Towns was formed in 1995 to administer development of a network of industrial facilities throughout the County's participating towns. The Northampton County Board of Supervisors previously appointed John Burdiss as Cape Charles' representative but his term was stated incorrectly. On April 26, 2010, the County Board of Supervisors adopted a resolution clarifying the terms of the Directors of the Joint IDA. The Cape Charles Town Council must also adopt a resolution affirming John Burdiss' term which expires on March 31, 2012.

**Mayor Sullivan moved for adoption of Resolution #20100513 – A Resolution of the Town Council of the Town of Cape Charles, Virginia Clarifying the Term of Its Appointee to the Board of Directors of the Joint Industrial Development Authority of Northampton County and**

**Towns. Resolution #20100513 was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Burdiss, yes; Elliott, yes; Evans, yes; Veber, yes.**

**ANNOUNCEMENTS:**

- May 22, 2010 – Chamber of Commerce Harbor Party
- May 27, 2010 – Town Council Work Session, tentative
- June 9, 2010 – Friends of the Library Fundraising Trip to Harrington Slots
- June 10, 2010 – Town Council Regular Meeting, 7:00 PM

**Hearing no objections, Mayor Sullivan adjourned the Town Council Regular Meeting by unanimous consent.**

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Mayor Sullivan

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Town Clerk