



TOWN COUNCIL
Special Meeting
Cape Charles Civic Center
May 6, 2021
6:30 PM

At approximately 6:30 p.m. Mayor William “Smitty” Dize, having established a quorum, called to order the Special Meeting of the Town Council. In addition to Mayor Dize, in attendance were Councilmen Buchholz, Follmer and Grossman, and Councilwomen Holloway and O’Brien. Vice Mayor Bennett was not in attendance. Also, in attendance were Town Manager John Hozey, Community Relations Manager Jennifer Lewis and Town Clerk Libby Hume. There were no members of the public physically in attendance, and 12 viewers on Facebook.

Mayor Dize stated that Vice Mayor Bennett was out of town but had submitted his comments which he would read during discussion.

PUBLIC COMMENTS (ON AGENDA ITEMS ONLY):

There were no comments to be heard nor any comments received in writing prior to the meeting or during the public comment period.

SPECIAL MEETING ORDER OF BUSINESS:

A. *PPEA Utility Consulting Services Contract Award:*

Town Manager John Hozey stated that unsolicited proposals were received from Aqua Virginia and Virginia American Water to acquire the Town’s water and wastewater utilities under the Public-Private Education Facilities and Infrastructure Act (PPEA). The Town’s adopted PPEA procedures provided that the Town may charge up to \$50,000 to each offeror to evaluate their proposal. A Request for Proposals (RFP) was issued for consulting services to assist with the proposal evaluation. A total of five proposals were received which were reviewed and evaluated by a panel based on the factors contained in the RFP. The panel narrowed the slate to three offerors. The proposed costs were obtained from the three offerors and a second round of interviews was performed. As a result of these interviews, New Gen Strategies & Solutions was judged to have the most balanced proposal at a fair and reasonable price of \$92,120 to perform all but two items in the scope of work. Their billing rates were competitive for the final two items. There was a provision in the policy to potentially pass on additional costs if they could be substantiated.

There was discussion regarding the following: i) Mayor Dize read Vice Mayor Bennett’s question asking whether the last two items could be funded within the \$100K available to the Town. John Hozey stated that most likely it would not but added that the Town had a provision to pass legitimate costs along to the offerors; ii) Councilman Grossman asked about the process and available funding if one of the firms opted to withdraw their proposal. John Hozey stated that the overall cost should drop as well. The intended approach was to evaluate both proposals and pass on billings as they came in; iii) Councilman Grossman asked whether the Hampton Roads Sanitation District (HRSD) would be a third option. John Hozey responded that at a previous meeting, he mentioned that a resolution would be brought forward authorizing HRSD to perform a study regarding the Shore’s water and wastewater needs. Since that time, he had a discussion with the executive director of HRSD who felt that a study was premature based on the Town’s PPEA process. John Hozey added that as a possibility, if the Town moved forward with one of the proposals, an option could be built in for the private entity to contract with HRSD.

Motion made by Councilman Grossman, seconded by Councilman Follmer, to authorize the town manager to execute a contract with New Gen Strategies & Solutions for PPEA Utility Consulting Services as recommended. The motion was approved by unanimous vote.

B. *Future Town Council Elections:*

John Hozey stated that the General Assembly passed legislative mandating all local elections be moved from May to November. The Town had two options: i) Go with the mandate which moved the elections to November of even-numbered years and the Mayor and Council's terms would be extended by six months; or ii) Move the elections to November of odd-numbered years, which would shorten current terms by six months. There were pros and cons to both options, but option two would require a public hearing be scheduled prior to adoption of the ordinance. With the November 2021 elections quickly approaching, time was a factor with this option. We originally thought that we would save in the cost of elections by moving the date to odd-numbered years to coincide with the state elections. We have since found out that the Town would see cost savings with either option since the federal elections were held on even-numbered years. Staff recommended option 1.

Mayor Dize noted that Vice Mayor Bennett expressed his support of option 1.

Motion made by Councilman Follmer, seconded by Councilman Grossman, to move forward with option 1 and adopting Ordinance 20210506 Providing for the Election of Mayor and Town Council Members in November of Even-Numbered Years Pursuant to Virginia General Assembly Mandate. The motion was approved by unanimous vote. Roll call vote: Buchholz, yes; Follmer, yes; Grossman, yes; Holloway, yes; O'Brien, yes.

C. *Town Council Representative to the Cape Charles Memoria Library Board:*

Town Manager John Hozey explained that former Councilman Bannon was the Town Council representative to the Library Board until his resignation in March. Another representative from Council needed to be named. Councilwoman O'Brien, who was appointed by Town Council as interim Council member until the November 2, 2021 special election, was currently a member of the Library Board so it would be reasonable to appoint her to also serve as the Town Council representative to the board.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to appoint Councilwoman O'Brien as the Council representative to the Library Board. The motion was approved by unanimous vote.

TOWN MANAGER COMMENTS

John Hozey commented on the following:

- 1) There was an odd procedure in the zoning ordinance stating that any amendments to the ordinance or zoning changes had to be initiated by the Town Council and referred to the Planning Commission. He was recently notified of two eminent requests 1) to rezone a parcel in the harbor area to light industrial to match the surrounding zoning; and 2) several text changes to the current zoning ordinance. The requests were expected to be received soon and he asked for Council permission to refer them to the Planning Commission for their review.

Council expressed their agreement to forward the requests to the Planning Commission upon receipt. Councilman Buchholz suggested that the language be changed.

John Hozey stated that this issue would be addressed. He currently had two changes to the zoning ordinance. The first was to Article VIII which resulted from the April joint meeting with the Council, Planning Commission and Historic District Review Board. A joint public hearing was planned with the Planning Commission at their June 1 meeting. The second change would be the expected request. Another joint public hearing would be scheduled as soon as possible after the request had been received. He also requested that a consultant be hired to perform a broader review of the entire zoning ordinance which needed to be updated. Once a consultant could perform the broad overview, the new zoning ordinance would be brought to the Planning Commission and Council for review and approval. It was not his intention to change and land

use, but the existing land use needed to be effectively managed. This process would probably not begin until late summer.

Councilman Follmer stated that the County also had the same policy where any action regarding the zoning ordinance had to be initiated by the Board of Supervisors and felt that it could be originating in the Code of Virginia.

John Hozey responded that the zoning administrator was currently researching this issue and seemed to think that the Code of Virginia had been changed, but the change was not reflected in the Town's zoning ordinance.

- 2) He announced that the library would be following the Eastern Shore Public Library and would be adjusting their hours beginning next Monday. The library would be open to the public on Monday, Wednesday, Thursday and Friday from 10:00 a.m. to 4:00 p.m., and on Tuesdays from 10:00 a.m. to 6:00 p.m. Patrons would be permitted inside without appointments for up to one hour at a time. The announcement would also be posted on Facebook.
- 3) Mason Avenue Parking. We were in the process of trying to reverse the reverse angled parking and hired a consultant to assist with the design exception request to the Virginia Department of Transportation (VDOT). Another option was presented by the consulting firm for 90-degree parking on Mason Avenue. This option would not require a design exception. He met earlier today with Cape Charles Main Street (CCMS) to discuss this issue and to get their thoughts. CCMS would be reaching out to some of the businesses on Mason Avenue regarding this option. This option would make parking more accessible from both directions of traffic, but there were drawbacks to it as well. Drivers of parked vehicles would not be able to see oncoming traffic before backing out which created safety issues. Part of the design exception request with the pull-in angled parking was a request to limit the size of vehicles able to park on the north side of Mason Avenue. He asked for Council's thoughts regarding this issue adding that requesting a design exception did not mean that it would be approved by VDOT. The consultant felt that the Town would get approval for the 90-degree parking option.

There was discussion as follows: i) Councilman Follmer did not think 90-degree parking would be safe and supported pull-in angled parking with a restriction for longer vehicles; ii) Councilman Grossman preferred angled parking over 90-degree parking; iii) Councilwoman O'Brien asked how many more parking spaces would be created with 90-degree parking and how the size limitation would be restricted on the north side of Mason Avenue. John Hozey stated that he did not have the parking numbers but would get the information and added that signage would be placed on the north side with the restrictions. Councilman Buchholz stated that initially, the Town gained about 34 parking spots with the reverse-angled parking, but several had been lost to allow for handicap access parking. John Hozey added that with the change in angle, several more spots would be lost, but golf cart parking could potentially be worked in on the edges; iv) Councilwoman Holloway noted that there were two unmarked spaces in front of Cowlicks Frozen Custard shop. The area used to be the entrance to the old parking lot before the new buildings were constructed. She thought there was another area along Mason Avenue with a similar issue; v) Mayor Dize expressed his thoughts that the plans to change the angle, etc. were good, but he felt that the Town was not thinking far enough into the future. Parking would continue to be an issue and the Town needed to explore a change to one-way streets in the Town, alternating every other street. This would provide parking on either side of the streets and allow for boats and other larger vehicles. John Hozey stated that this was explored as an option and he had checked with VDOT, which would not approve this change, not just for emergencies, but since Mason Avenue was considered a major road. If Council wanted to pursue this option, a design exception would have to be requested from VDOT. Councilman Follmer stated that he had spoken with Chief Pruitt who explained that with one-way traffic headed toward the water, a truck would have to go to Bay Avenue to make a turn taking extra time to respond to a call. This could also be a greater issue during the summer with the additional traffic along Bay Avenue.

- 4) A Budget work session was scheduled for next Thursday. He apologized for the lateness, adding that it had proven to be more challenging to reconfigure the budget the way he wanted it. Every entry was tied to something else in the Town's accounting system which was not designed to do what he wanted. Staff was still working to put everything together for review. He hoped to have it to the Mayor and Council one or two nights prior to the meeting. There were no surprises. The grim picture he painted during the strategic planning sessions was panning out. Staff was exploring ideas about how to generate additional revenue, but it would not be done in time for budget adoption. The budget could be adopted with an increase in tax and utility rates, but if other revenue sources could be identified, the rates could be adjusted down with a budget amendment. The county was behind in their tax rolls and would not be able to provide updated data until later in June, which would be too late for the budget adoption. He was very conservative with the budget proposal and some last-minute adjustments could still be made. Councilman Buchholz agreed that typically, any new construction did not get added until at least a year after completion.

MAYOR AND COUNCIL COMMENTS

Mayor Dize commented as follows: i) He participated in Congresswoman Luria's virtual roundtable meeting with other mayors and local elected officials. The topic was the American Rescue Plan Act and how localities were planning to use the funding. Ms. Luria would be reaching out to the Department of Treasury to gain insight on the plan and was aware that most localities were currently working on or had recently adopted their budgets. John Hozey added that he received regular emails from the Virginia Municipal League and the Treasury Department would be releasing rules regarding the plan in May. The Funding needed to be appropriated by the General Assembly, which would slow the process. For the proposed fiscal year 2022 budget, this funding could not be included initially. When more information and an estimated amount was received, the Town could pursue a budget amendment; ii) Also discussed during the roundtable meeting was the lack of people willing to work. Cape Charles was not the only area experiencing these issues. Most localities were experiencing hardships in finding people to work. The restaurants in Town were sharing wait and kitchen staff and the retail businesses were also having difficulty. Some businesses were talking about closing for two days each week due to lack of staffing; iii) Councilwoman Holloway interjected that CCMS recently appointed Ken Butta as co-chair of the economic vitality committee. He was a retired principal who worked closely developing workforce programs. He would be contacting Eastern Shore Community College and the high school to help students obtain the right skills. Mr. Butta was excited and ready to help where he could; and iv) Mayor Dize thanked Jen Lewis and staff for another great Blessing of the Fleet which had a good turnout. He asked Jen Lewis to provide information regarding Cape Charles Day. Jen Lewis stated that Cape Charles Day was scheduled for June 12 and the shredder truck had been contracted. There would also be live music. She was still working on the food and reaching out to organizations to participate. She felt there would be high attendance as people were ready to get out and enjoy themselves.

Councilman Follmer stated that he noticed staff was working really hard. He saw Debbie Pocock's car parked outside the office most evenings and Libby Hume's email responses late in the evenings. He thanked everyone for their effort.

Councilman Grossman informed all that the Accomack-Northampton Regional Housing Study group was awarded a grant for the housing study and had met. The study would be conducted July through December. It would be an in-depth study which had not been done since 2003. It should provide a good picture of housing in the two counties.

Councilwoman O'Brien did not have any additional comments.

Councilwoman Holloway commented as follows: i) Cape Charles businesses were awarded 34 Best of Virginia designations in the Virginia Living Magazine, which was up from 27 last year. CCMS did a two-page spread like last year and she would get extra copies so each Council member could have one. A press release would be issued trying to capitalize on this honor; and ii) Cape Charles also made the lists in Southern Living Magazine, Forbes list of the best small towns, and AAA Magazine. Good

things were happening and there was a good representation of Cape Charles in the media. Councilwoman O'Brien added that this would also tie into the parking conversation.

Councilmen Buchholz asked about the status of the Frankensweeper. John Hozey replied that it was about 80% completed but had taken a back burner to other more immediate projects.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to adjourn the Town Council Special Meeting. The motion was approved by unanimous vote.

The meeting adjourned at 7:15 p.m.

Mayor Dize

Town Clerk