



TOWN COUNCIL
Work Session
Cape Charles Civic Center
August 15, 2024
6:00 PM

At approximately 6:00 p.m. Mayor Adam Charney, having established a quorum, called to order the Work Session of the Cape Charles Town Council. In addition to Mayor Charney, in attendance were Vice Mayor Bennett, Councilmen Buchholz, Butta and Grossman, and Councilwoman Holloway. Councilman Follmer arrived at 6:05 p.m. Also, in attendance were Town Manager John Hozey and Town Clerk Libby Hume. There were no members of the public in attendance.

WORK SESSION ORDER OF BUSINESS:

A. *Town Harbor Management*

Town Manager John Hozey distributed copies of a portion of the initial Request for Proposals (RFP) for Marina Management Services from February 24, 2020, the current Town Harbor Management Agreement, the Fiscal Year (FY) 2025 Harbor Budget, and potential harbor staffing estimates. He went on to state that he had never been a fan of contracting the harbor management, but the RFP had already been issued before he started with the town. The main reason the Town chose the current contractor was that they were also running the Cape Charles Yacht Center and there were notable efficiencies to having the same contractor running both sides of the harbor. Issues began when the Cape Charles Yacht Center contracted with a new management firm. He did not like that the Town did not have direct control. A number of the issues were discussed. John Hozey continued that he felt the Town moved toward hiring a management company with the misconception that the company would bring in staff with the expertise that we did not have. That was not the case.

Councilman Grossman stated that another benefit was the marketing. Councilwoman Holloway agreed that she was sold on the marketing ability.

Councilman Follmer had asked the former treasurer to provide the number of slips being rented after former harbormaster Smitty Dize left. After the contractor took over initially, the numbers started increasing, possibly since the same company had control of both sides of the harbor. After the changes made at the Cape Charles Yacht Center, things started going downhill.

John Hozey stated that continuing with the current situation was not an option. The Town had two options: i) take the operations back in-house; or ii) Put out another RFP.

Councilman Follmer stated that there was a difference between a bad idea and bad implantation. In hindsight, we should have asked different questions and made different decisions. It was not a bad idea, but it was implemented poorly. We tried it once and it has not worked out. How many times have we tried to make it work in-house and it not worked out? It was worth the effort of putting out an RFP.

Vice Mayor Bennett stated that he was unsatisfied with the Town's operations of the harbor for years. We were not making any money and having to subsidize the Harbor Fund with transfers from the General Fund, and he felt that going with a management company was the right thing to do. When looking at the numbers, he realized that it was not.

John Hozey stated that the Town used to only subsidize the capital project from the General Fund, but we were now subsidizing the operations as well.

There was much discussion regarding the possibility of another RFP and the potential timeline. John Hozey stated that last year, the current contract was extended a year through December 2024. There would not be sufficient time since the RFP would have to be published and on the streets for about three to four weeks so it would be October before a decision could be made. If there were no acceptable proposals, we would take the management back, but we would also have to advertise and hire staff, research and purchase software, etc. and be ready for operations by January 1, 2025. He was not confident in finding an acceptable management company. Council reviewed the budget. We estimated about a \$200K transfer from the General Fund for FY 2025 and about \$300K in management fees. We could bring the management back in-house for about that amount. Our harbor was too important to trust it to someone else.

Councilman Grossman suggested advertising and looking for candidates to hire first and if we did not receive many good applications, we could then put out the RFP.

Councilman Follmer stressed the importance of finding the staff and getting them on board prior to January 1st so they could get to know the harbor and be involved in setting up the system, then be ready to take over on January 1st.

Council was in agreement with Councilman Grossman's idea. Councilwoman Holloway added that funds for marketing would have to be added to the harbor budget. Councilman Butta suggested that we could possibly ask Cape Charles Main Street to help market the harbor, to which Councilwoman Holloway agreed.

John Hozey stated that a message would be put out that the Town was taking back the management of the harbor. If we found that things were not panning out, we would pivot and get out the RFP.

B. *Recruitment Update*

John Hozey provided a brief update on the recruitment process. Vice Mayor Bennett and Councilwoman Holloway were on the recruitment committee. Four good proposals were received in response to our RFP for a recruitment firm. The committee met and narrowed down the slate to two. He provided the Council with a copy of the proposal from the top choice, and he was currently in discussions with the top two firms. He was familiar with the second firm which had placed over 200 managers. They were very well qualified. The proposals with the committee's recommendation would be presented to Council in September.

Councilwoman Holloway stated that the proposals contained examples of marketing tools that would be developed, and all the proposals were consistent with the three-to-four-month timeframe. This would still provide us with an overlap period. She and Jodi Outland were pulling together lots of documents so everything would be ready to be provided to the firm that was chosen.

John Hozey stated that the Town had four really good candidates for the treasurer position. Unfortunately, two withdrew their applications for personal reasons. The review committee included himself, Katie Nunez, Councilman Grossman, and Jodi Outland. Both of the remaining candidates were interviewed and brought back to meet with the finance department staff. Both candidates were capable but neither had specific municipal experience. He was prepared to make a recommendation for the Council's appointment but forgot that this was a chartered officer and historically, the Town Council interviewed for chartered officers. The person chosen for the treasurer position would outlast him, so Council needed to feel comfortable with the individual. We were on a short timeline as Jerry Murphy, the current interim treasurer, submitted his notice for the interim treasurer position. John Hozey added that he would be leaving for his vacation in Alaska on August 29 so asked Council their availability on August 21 to interview the two candidates. He would provide their resumes and a list of questions that were asked by the committee. He asked Council to send him any questions they would like asked and he would

compile the list. We would allow about 30 to 45 minutes for each candidate. Afterwards, the Council would come out of closed session and appoint the new treasurer.

Vice Mayor Bennett noted that former treasurer Deborah Pocock did not have any municipal experience either.

A consensus was reached to schedule an executive session for August 21, beginning at 6:00 p.m. for treasurer interviews.

Motion made by Councilman Buchholz, seconded by Councilwoman Holloway, to adjourn the Town Council Work Session. The motion was approved by unanimous vote.

The meeting was adjourned at 6:49 p.m.

Mayor Charney

Town Clerk



**TOWN COUNCIL
Executive Session
Cape Charles Civic Center
August 15, 2024
Immediately Following the Work Session**

At 6:52 p.m. Mayor Adam Charney, having established a quorum, called to order the Executive Session of the Cape Charles Town Council. In addition to Mayor Charney, in attendance were Vice Mayor Bennett, Councilmen Buchholz, Butta, Follmer and Grossman, and Councilwoman Holloway. Also, in attendance was Town Manager John Hozey.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, and unanimously approved to go into Executive Session in accordance with Section 2.2-3711.A of the Code of Virginia for the purpose of: Paragraph 1: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body.

Specifically: Town Manager Performance

There were no members of the public in attendance.

Council went into executive session at 6:53 p.m.

Motion made by Vice Mayor Bennett, seconded by Councilman Grossman, to return to open session. The motion was approved by unanimous vote.

The open portion of the meeting resumed at 8:58 p.m. There were no members of the public waiting to return to the meeting.

Certification, to the best of each member's knowledge, that (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the meeting by the public body. Roll call vote: Bennett, yes; Buchholz, yes; Butta, yes; Follmer, yes; Grossman, yes; Holloway, yes.

Motion made by Councilman Grossman, seconded by Councilman Butta, to adjourn the Town Council Executive Session. The motion was approved by unanimous vote.

The Executive Session adjourned at 8:59 p.m.

Mayor Charney

Town Clerk