



**TOWN COUNCIL
Public Hearing & Special Meeting
Cape Charles Civic Center
February 6, 2025
6:00 PM**

At approximately 6:00 p.m. Mayor Adam Charney, having established a quorum, called to order the Regular Meeting of the Cape Charles Town Council. In addition to Mayor Charney, in attendance were Vice Mayor Buchholz, Councilmen Butta, Grossman and Newman, and Councilwomen Ashworth and Holloway. Staff in attendance were Town Manager John Hozey, Treasurer Marion Sofield, Assistant Treasurer Adrian Oei, Planner/Zoning Administrator Katie Nunez, Assistant to the Town Manager Courtney Neale and Town Clerk Libby Hume. There were 4 members of the public physically in attendance, and 7 viewers on Facebook.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

PUBLIC HEARINGS:

A. *FY 2025 Mid-Year Budget Amendment:*

There were no comments to be heard, nor any comments submitted in writing prior to the meeting.

B. *Conditional Use Permit 2025-01 – 133 Mason Avenue:*

There were no comments to be heard, nor any comments submitted in writing prior to the meeting.

Motion made by Councilman Grossman, seconded by Councilman Butta, to close the public hearing portion of the meeting. The motion was approved by unanimous vote.

The public hearing was closed at 6:01 p.m.

PUBLIC COMMENTS: (FOR ITEMS NOT INCLUDED IN THE PUBLIC HEARINGS – 3 MINUTES PER SPEAKER)

There were no comments to be heard nor any comments submitted in writing prior to the meeting.

ORDER OF BUSINESS:

A. *FY 2025 Mid-Year Budget Amendment:*

Town Manager John Hozey stated that a Town Council work session was held on January 16, 2025 to review all proposed adjustments with several additional adjustments being made. All changes were reflected in the documents presented this evening.

There was some discussion regarding the following: i) Keck Well Water Line Return capital project – John Hozey stated that the Town had mechanisms in place to recover water connection fees; however, in this area, the only other property that could potentially connect is the proposed workforce housing development. Requiring the workforce housing developer to pay these connection fees would likely make the project too expensive to be viable; ii) Councilwoman Ashworth expressed her concern with the expenses to manage short-term rentals (STRs) adding that the \$45K initial outlay for software plus \$12K annually, the purchase of a new golf cart, and hiring a new staff person before we had an understanding of the number of STRs seemed exorbitant; iii) Mayor Charney suggested adding funding for miscellaneous donations adding that he had donated \$500 from the Town to the Oyster Farm's decoy show, proceeds of which benefitted the Cape Charles Museum, Barrier Islands Center, and the Make a Wish Foundation. John Hozey explained that not only were the funds not budgeted, but it set a precedent for any good cause to ask for funding, adding that it would be better to have this discussion for the next budget cycle. Councilwoman Holloway thought that this item warranted a good discussion, and

parameters needed to be set, adding that she felt that the Town could support charitable events with in-kind services such as offering the services of our public works crew, not giving monetary donations using taxpayer money. Other suggestions were funding to offset security fees for the event or waiving of the permit fees. This issue would be included in the first budget work session for next fiscal year.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to adopt the FY 2025 budget amendment as presented. The motion was approved by majority vote with Councilwoman Ashworth opposed.

B. *Conditional Use Permit 2025-01 – 133 Mason Avenue:*

Katie Nunez stated that a Conditional Use Permit (CUP) application was received from Jon Dempster for the property at 133 Mason Avenue for a six-foot tall fence to be located at the front of the property as screening for three propane tanks. The tanks and fence would be located to the left of the handicapped access door which faced Mason Avenue. This property was located in the Commercial-1 Zoning District as well as in the Historic District Overlay. Mr. Dempster had tried to place the propane tanks in the rear of the building but the owner of the adjacent property was not willing to provide an easement for these tanks. The current tank was underground, but the propane vendor would not service the existing tank for safety reasons. Even if the current tank was replaced with another underground tank, it could not be placed in the same location as it did not meet the current codes. The current tank would be abandoned in place, filled with sand and sealed. If the CUP was approved, the application would be presented to the Historic District Review Board to review the material and appearance of the fence. The Planning Commission held their public hearing on February 4th and no comments were heard. Afterwards, the Planning Commission voted unanimously to recommend Town Council approval of CUP 2025-01 as submitted.

Jon Dempster offered further explanation regarding the issues stressing his concern for the safety of his employees and surrounding properties.

Motion made by Councilman Grossman, seconded by Vice Mayor Buchholz, to approve Conditional Use Permit 2025-01 for 133 Mason Avenue for the installation of a non-conforming 6' fence within the Commercial-1 District at the location shown on the site plan based upon reasons contained in the staff report. The motion was approved by unanimous vote.

C. *Employment Contract for New Town Manager:*

John Hozey stated that the Town contracted with a recruitment consultant to conduct a nationwide search for his replacement after his retirement in May 2025. Over 30 applications were received which were initially culled to 10 for additional scrutiny. Four applicants were recommended to Council for potential interviews. The Council reviewed those applications and selected 2 for in-person interviews which were held on January 8 and 9, 2025. Upon careful consideration of all information received and after significant due diligence, the Town Council offered the position to Dicran (Rick) Keuroglan. Following successful negotiations of contract terms, Mr. Keuroglan accepted the position and would begin in April to allow for a meaningful overlap and a smooth transition.

Motion made by Councilwoman Ashworth, seconded by Councilman Grossman, to approve the employment contract with Dicran Keuroglan to serve as the next town manager. The motion was approved by unanimous vote.

TOWN MANAGER COMMENTS

John Hozey commented as follows: i) An issue came up regarding the trash service requirements in the Zoning Ordinance and Town Code. The Town Code included a provision to allow an STR owner to remove the second or third trash receptacle during the off season when the house was not being

rented, but implementation would be a nightmare. He recommended that this be removed from the Town Code and adding as an acceptable alternative to the second receptacle, the STR owner could arrange for and pay for twice per week pickup. Another issue was at the Fairways in Bay Creek which had high density making twice per week pickup cumbersome. A solution to this issue could be a central collection area, but staff was still in discussions with Bay Creek; ii) Another issue with the STR process involved the grace period. There was currently no incentive for STR owners to come in early to process their paperwork. He proposed allowing a waiver of the permit fee for 2026 to anyone who came in before July 1st. Councilwoman Ashworth objected stating that the cost of the STR software, staffing, etc. would fall on the taxpayers for another year and many STR owners would take advantage of 2 years with no fees. She went on to ask how the Town would recoup the \$57K for the software, the cost of the staff person and new golf cart. John Hozey asked the thoughts of the other Council members. Councilwoman Holloway stated that she liked the idea of an incentive but not with the waiver of the entire fee and suggested a possible 50% reduction instead. There was much discussion about this and a majority consensus was reached for a 50% fee reduction for 2026, with Mayor Charney and Councilman Butta abstaining and Councilwoman Ashworth opposed; iii) The Finance, Planning & Zoning, and Building departments were working on Saturday, February 15th, from 8:00 AM until 2:00 PM to assist STR owners, with business licenses and other paperwork; iv) Harbor: A couple of lease opportunities were being considered. The seaplane lease proposal was briefly reviewed at the last meeting. Another request was received for a paddle wheel boat wanting to relocate by The Shanty. They were working with The Shanty regarding catering; v) Harbor Fuel Surcharge: The Town had never had an official policy regarding a surcharge, but charged different amounts based on the grade of fuel. For consistency, a 25% of the fuel sale or \$1.00, whichever was greater, would be charged beginning immediately. Other marinas in the area charged 32% or \$1.00; vi) Town Attorney: Mike Sterling had represented the Town for over 30 years, since the 1990s. His firm had combined with another firm and had changed names, prompting an opportunity to get an updated engagement letter from the new firm. The last agreement was over 20 years old. Legal services were exempt from the Procurement Act. Mr. Sterling substantially discounted his fees to the Town and the new engagement letter also offered a discount for other attorneys in his firm. The new agreement would be brought forward to Council; vii) The Beachfront Master Plan Public Information Sessions were set for Saturday, March 1, and Wednesday, March 5, at the YMCA. The exact times had not yet been determined but he expected them to be 10:00 AM to 2:00 PM on Saturday, and 5:00 PM to 7:30 PM on Wednesday; viii) It had been suggested to consider an ordinance to add a Town Council representative to the Historic District Review Board. This board was the busiest board we had and before drafting the necessary changes for Council action, he wanted to confirm that a Council member was willing to volunteer to serve on this board. Unless he had a volunteer, he did not want to move forward with the Code changes. There was some discussion regarding this item and Councilwoman Ashworth stated that she might be interested in serving but wanted to talk further with John Hozey to see what it entailed before committing. John Hozey stated that he would meet with Councilwoman Ashworth and if she was willing to volunteer for the board, he would bring the item forward for Council action; ix) He asked for Council members' availability on February 13th for a work session for discussion about resource allocations and potential purchases. We had so much going on and the potential purchases of land for a new town hall and the railroad property. We had resources but not enough to do everything. He also wanted to further discuss the community survey results and comments to update the strategic plan. Councilwoman Holloway was unavailable on February 13th but suggested the 12th. Councilwoman Ashworth had a Library Board meeting that evening beginning at 5:00 PM but should be available for 6:00 PM; x) There was a possibility that The Shanty lease might need to be amended as part of his purchase and renovations to the pub building. This would require a public hearing and Council action. The earliest that this could be done was February 27th; xi) There was a potential purchaser of the Sea Breeze property who wanted to rehabilitate the buildings for multi-use family dwellings. The issue was that 2 of the buildings were declared unsafe. If the buildings remained unused for a period of one year which would end February 26th, they would lose their legal non-conforming use status. Since the property was located in the Residential-1 District, if the non-conforming use status was lost, the buildings could not be used for multi-family residential. He contacted our attorneys, and they agreed with this determination. Our ordinance stated that

repairs had to be substantially completed and that could not happen under these circumstances. A way for the purchaser to move forward would be to apply for conditional rezoning. The purchaser's representative was alluding to a potential for workforce housing. The purchaser might be contacting the Council members directly since they were unhappy with the staff's answers. They want a waiver of this requirement which the Council did not have the authority to do. Council could change the requirement but could not waive it. The process to change the requirement could take several months and involve a Planning Commission public hearing and recommendation followed by a Town Council public hearing and meeting to take action; xii) He was doing something crazy and flying to Alaska to watch the Super Bowl game with his sons and grandsons since the Eagles were playing. He would be traveling on Friday and Saturday, then again on Monday and Tuesday. He could be reached by phone if needed.

MAYOR AND COUNCIL COMMENTS

Councilman Grossman distributed a sheet showing Virginia Bills that he was following that had the potential to impact Cape Charles Zoning Ordinances. Senate Bill (SB) 932 passed the Senate and stated that accessory dwelling units may be addressed in the Comprehensive Plan along with tiny homes. SB 1313 passed the Senate and stated that any locality may amend the zoning ordinance to provide for an affordable housing dwelling program. House Bill (HB) 2641 passed the House required localities to increase their total housing stock by at least 7.5% over a 5-year period. VML was opposed to this. HB 2660 passed the House and shortened the timeframe for local approval of subdivisions. Katie Nunez stated that she currently had 60 to 90 days to approve subdivisions but this legislation would shorten the timeframe to 30 days. Councilman Grossman stated that he wanted to give Council a heads up about these bills since the Town might need to come up with a plan.

There were no other comments from Council or Mayor Charney.

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

The Public Hearings & Special Meeting adjourned at 7:07 p.m.

Mayor Charney

Town Clerk

FY2025 Mid-Year Budget Adjustment

	Budget	YTD as of 12/10/24	Projected	Change	Notes
GF Revenue					
100-3010-2024 Real Property Tax 2024	\$ 1,491,535.62	\$ 1,426,995.63	\$ 1,591,536.00	\$ 100,000.38	Difference between original budget and final county assessment
100-3090-1000 Bay Creek Impact Fees	\$ 60,000.00	\$ 87,000.00	\$ 120,000.00	\$ 60,000.00	
100-3100-1600 Rental Inspections	\$ 18,000.00	\$ 3,350.00	\$ 27,000.00	\$ 9,000.00	Added Bay Creek inspections
100-3300-1750 Dividends & Interest on Investments	\$ 285,101.00	\$ 293,370.00	\$ 469,960.60	\$ 184,859.60	Adjusts for original conservative estimate, lower interest rates in 2025, and balancing mechanism for the budget
100-3800-5000 Grant - Liter Prevention Grant (LPEG)	\$ 2,200.00	\$ 2,551.41	\$ 1,838.00	\$ (362.00)	Grant awarded for less than original application amount
General Fund Revenue Total				\$ 333,497.98	
GF Expenses					
Town Clerk					
100-4112-2000 FICA Expense	\$ 5,204.46	\$ 2,187.85	\$ 5,300.00	\$ 95.54	
100-4112-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 4,613.16	\$ 1,947.45	\$ 4,700.00	\$ 86.84	
100-4112-2300 Worker's Comp	\$ 40.43	\$ 24.30	\$ 60.00	\$ 19.57	
100-4112-2300 Health Insurance	\$ -	\$ 30.00	\$ 100.00	\$ 100.00	
100-4112-2310 Dental Insurance	\$ 626.22	\$ 309.06	\$ 800.00	\$ 173.78	
100-4112-3030 Lease - Storage	\$ 4,800.00	\$ 1,669.00	\$ 5,181.00	\$ 381.00	Bay Storage rental increased to \$439/month
100-4112-5240 Books & Subscriptions	\$ 13,050.00	\$ 424.98	\$ 21,050.00	\$ 8,000.00	Increased costs for Town Code & Zoning Ordinance Supplemental Recodifications
Clerk Total				\$ 8,856.73	
Town Manager					
100-4121-1000 Regular Salaries & Wages Town Manager	\$ 168,331.11	\$ 61,060.11	\$ 132,504.00	\$ (35,827.11)	Old TM Assist. separated 8/15/24
100-4121-1200 PT Salaries & Wages TM	\$ 46,586.70	\$ 13,682.64	\$ 66,355.00	\$ 19,768.30	New TM Assist. moved to part-time
100-4121-2330 Worker's Comp	\$ 86,166	\$ 687.89	\$ 1,652.00	\$ 790.34	
100-4121-2350 Relocations Assistance	\$ 5,000.00	\$ 1,000.00	\$ 9,000.00	\$ 4,000.00	
100-4121-3410 Professional Services	\$ 50,000.00	\$ 24,255.00	\$ 75,000.00	\$ 25,000.00	
100-4121-4080 Grant Exp - Sail 250	\$ -	\$ -	\$ 19,800.00	\$ 19,800.00	Tall Ships event. Add'l expense of \$10,200 expected in FY26
100-4121-6050 Uniforms Expense	\$ 1,000.00	\$ 531.73	\$ 1,500.00	\$ 500.00	
100-4121-6100 Recreation Programs & Events	\$ 54,000.00	\$ 66,763.46	\$ 79,000.00	\$ 25,000.00	
100-4121-7000 Water & Sewer Expense TM	\$ 1,408.56	\$ 1,365.23	\$ 3,000.00	\$ 1,591.44	
100-4121-8510 Transfer to Harbor Fund	\$ 198,523.00	\$ -	\$ 263,234.00	\$ 64,711.00	
Town Manager Total				\$ 125,333.97	
Finance					
100-4124-1000 Regular Salaries & Wages Finance	\$ 321,416.03	\$ 137,601.31	\$ 351,751.20	\$ 30,335.17	True up for hiring of new Treasurer & expand role of Finance Clerk II to BPOL & STR Licensing Specialist
100-4124-2000 FICA Expense	\$ 24,588.59	\$ 10,109.14	\$ 30,310.00	\$ 5,721.41	
100-4124-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 21,791.98	\$ 11,281.61	\$ 28,000.00	\$ 6,208.02	
100-4124-2330 Worker's Comp	\$ 181.32	\$ 110.25	\$ 285.00	\$ 103.68	
100-4124-2310 Dental Insurance	\$ 1,507.38	\$ 819.39	\$ 2,000.00	\$ 492.62	
100-4124-5260 Employee Training & Certification	\$ -	\$ -	\$ 1,200.00	\$ 1,200.00	CPFO certification for Assist. Treas.
100-4124-6000 Office Supplies	\$ 5,429.00	\$ 1,808.19	\$ 8,830.00	\$ 3,401.00	Locked cabinet for sensitive documents
Finance Total				\$ 47,461.90	
Police					
100-4310-2230 Worker's Comp	\$ 15,571.41	\$ 12,305.29	\$ 29,535.00	\$ 13,963.59	New rates received after the original budget
100-4310-3025 Repair Main & Inspect Contracted Svcs	\$ -	\$ -	\$ 500.00	\$ 500.00	New Police printer/copier repair/overage
100-4310-5110 Lease, Office Equipment	\$ -	\$ -	\$ 350.00	\$ 350.00	New Police printer/copier base lease
100-4310-5205 Travel-Mileage, Parking & Toll - Pol. Acad	\$ -	\$ -	\$ 1,800.00	\$ 1,800.00	Bridge toll for 5 days a week x 18.5 weeks
100-4310-5210 Travel-Lodging & Meals	\$ 2,500.00	\$ 13.42	\$ 8,100.00	\$ 5,600.00	Lunch & occasional lodging for 2 officers @ police academy
100-4310-5230 Education	\$ 3,000.00	\$ 4,500.00	\$ 4,500.00	\$ 1,500.00	Academy dues increased
100-4310-6050 Uniforms Expense	\$ 6,000.00	\$ 2,426.82	\$ 7,000.00	\$ 1,000.00	Academy uniforms/PT uniforms/Black leather boots
100-4310-6175 Vehicles & Powered Equipment Fuel	\$ 25,000.00	\$ 6,827.60	\$ 26,800.00	\$ 1,800.00	Could be fine with budget already but want to be on safe side
Police Total				\$ 26,513.59	

FY2025 Mid-Year Budget Adjustment
01/16/25

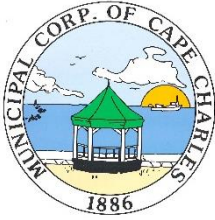
Budget		YTD as of 12/10/24	Projected	Change	
Code Enforcement					
100-4340-1000 Regular Salaries & Wages Code	\$ 115,081.77	\$ 50,470.55	\$ 122,416.00	\$ 7,334.23	New STR employee 50% to Code 50% to Planning
100-4340-2000 FICA Expense	\$ 10,819.24	\$ 3,787.80	\$ 14,486.00	\$ 3,666.76	New STR employee 50% to Code 50% to Planning
100-4340-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 9,588.80	\$ 3,294.00	\$ 13,255.00	\$ 3,666.20	New STR employee 50% to Code 50% to Planning
100-4340-2230 Worker's Comp	\$ 500.77	\$ 369.16	\$ 950.00	\$ 449.23	
100-4340-2310 Dental Insurance	\$ 602.95	\$ 297.96	\$ 750.00	\$ 147.05	
100-4340-7070 Vehicles & Equipment	\$ -	\$ -	\$ 5,750.00	\$ 5,750.00	New golf cart for inspection/enforcement 50/50 between Code & Planning
Code Enforcement Total				\$ 21,013.47	
Public Works					
100-4430-2000 FICA Expense	\$ 20,652.98	\$ 9,522.83	\$ 24,000.00	\$ 3,347.02	
100-4430-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 18,304.59	\$ 8,704.84	\$ 21,000.00	\$ 2,695.41	
100-4430-2230 Worker's Comp	\$ 6,416.32	\$ 3,646.34	\$ 8,754.00	\$ 2,337.68	
100-4430-2310 Dental Insurance	\$ 1,808.86	\$ 943.36	\$ 2,300.00	\$ 491.14	
100-4430-6000 Office Supplies	\$ 1,000.00	\$ 868.44	\$ 2,000.00	\$ 1,000.00	
100-4430-6025 Janitorial & Kitchen Supplies	\$ 7,200.00	\$ 4,356.26	\$ 8,700.00	\$ 1,500.00	
100-4430-6075 Hand Tools & Light Equipment	\$ 1,500.00	\$ 1,333.89	\$ 2,500.00	\$ 1,000.00	
100-4430-6235 Repair & Maintenance Supplies Business District	\$ 5,000.00	\$ 3,787.91	\$ 15,000.00	\$ 10,000.00	Increased cost of electrical upgrade
Public Works Total				\$ 22,371.25	
Information Technology					
100-4127-6150 Computer, Software & Electronics	\$ 46,705.00	\$ 15,007.89	\$ 112,955.00	\$ 66,250.00	Increases for approved building and zoning software; plus new STR software & subscription & STR computers.
Information Technology Total				\$ 66,250.00	
Library					
100-4730-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 8,480.43	\$ 4,164.44	\$ 10,000.00	\$ 1,519.57	
100-4730-2300 Health Insurance	\$ 21,539.40	\$ 9,993.84	\$ 25,000.00	\$ 3,460.60	
100-4730-2310 Dental Insurance	\$ 904.43	\$ 446.94	\$ 1,100.00	\$ 195.57	
100-4730-2005 Programs & Event Performers	\$ -	\$ -	\$ 750.00	\$ 750.00	Town-wide Read
100-4730-3025 Repair Maint & Inspect Contracted Svcs	\$ 1,200.00	\$ 1,010.61	\$ 2,400.00	\$ 1,200.00	Overage for main library copier/printer. This printer is available to the public & usage has increased over the years.
100-4730-2230 Worker's Comp	\$ 58.25	\$ 34.72	\$ 90.00	\$ 31.75	
100-4730-4090 Grant Exp - DEQ Litter Grant - Library	\$ 2,200.00	\$ -	\$ 1,838.00	\$ (362.00)	Grant awarded for less than original application amount
Library Total				\$ 6,795.49	
Planning					
100-4811-1000 Regular Salaries & Wages Planning	\$ 182,597.04	\$ 69,618.90	\$ 189,930.00	\$ 7,332.96	New STR employee 50% to Code 50% to Planning
100-4811-1200 PT Salaries & Wages Planning	\$ -	\$ 1,450.00	\$ 3,700.00	\$ 3,700.00	Compensation for boards - more meetings than anticipated & corrects original board pay
100-4340-2000 FICA Expense	\$ 16,798.74	\$ 5,371.09	\$ 20,465.00	\$ 3,666.26	New STR employee 50% to Code 50% to Planning
100-4340-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ 17,834.61	\$ 6,747.30	\$ 21,501.00	\$ 3,666.39	New STR employee 50% to Code 50% to Planning
100-4811-2230 Worker's Comp	\$ 93.76	\$ 147.84	\$ 357.00	\$ 263.24	
100-4811-2310 Dental Insurance	\$ 602.95	\$ 372.45	\$ 900.00	\$ 297.05	
100-4811-7070 Vehicles & Equipment	\$ -	\$ -	\$ 5,750.00	\$ 5,750.00	New golf cart for inspection/enforcement 50/50 between Code & Planning
Planning Total				\$ 24,675.90	
General Fund Expenses Total				\$ 348,272.30	
General Fund Revenue Less Expenditures					
			\$	4,225.68	Increased revenue over expenditures corrects clerical error in original budget adoption

FY2025 Mid-Year Budget Adjustment
01/16/25

	Budget	YTD as of 12/10/24	Projected	Change	
Capital Fund Revenue					
110-3300-1750 Dividends & Interest on Investments	\$ -	\$ -	\$ 336,324.80	\$ 336,324.80	Excess Interest & Dividends not budgeted during FY25 budget development
Capital Fund Revenue Total			\$ 336,324.80	\$ 336,324.80	
Capital Fund Expenses					
110-4430-7013 Buildings & Improvements Beachfront Revitalization	\$ 45,000.00	\$ -	\$ -	\$ (45,000.00)	
110-4430-7014 Buildings & Improvements Beach Restroom/Bathhouse	\$ 45,000.00	\$ -	\$ -	\$ (45,000.00)	
110-4430-7020 Infrastructure Open Space, Parks & Outdoor Equip	\$ 40,000.00	\$ -	\$ -	\$ (40,000.00)	
110-4430-7065 Keck Wells Water Line Return	\$ -	\$ -	\$ 565,000.00	\$ 565,000.00	Low bid: \$550,000 plus small contingency
110-4121-8100 Transfer to Capital Fund Balance	\$ 6,360,805.67	\$ -	\$ 6,265,029.47	\$ (98,675.20)	
Capital Fund Expenses Total			\$ 6,265,029.47	\$ 6,265,029.47	
Capital Fund Revenue Less Expenditures			\$ -	\$ -	

FY2025 Mid-Year Budget Adjustment
01/16/25

	Budget	YTD as of 12/10/24	Projected	Change					
Harbor Fund Revenue									
510-3150-1000 Harbor Fuel Sales	\$ 400,000.00	\$ 187,175.96	\$ 350,000.00	\$ (50,000.00)					
510-3150-1100 All Miscellaneous Sales	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00					
510-3150-2000 Dockage Fees	\$ 350,000.00	\$ 123,135.30	\$ 340,000.00	\$ (10,000.00)					
510-3150-2200 Lease - Seaplane Operation	\$ -	\$ -	\$ 4,000.00	\$ 4,000.00					
510-3650-1000 Credit 1% Debt \$0.25 Card Fee Rev	\$ 17,500.00	\$ -	\$ 6,500.00	\$ (11,000.00)					
510-3950-2110 Transfer from General Fund	\$ 198,523.00	\$ -	\$ 263,234.00	\$ 64,711.00					
Harbor Fund Revenue Total			\$ 2,711.00						
Harbor Fund Expenses									
510-4713-1000 Regular Salaries & Wages Harbor	\$ -	\$ -	\$ 108,000.00	\$ 108,000.00					
510-4713-2000 FICA Expense	\$ -	\$ -	\$ 9,130.00	\$ 9,130.00					
510-4713-2100 SUI Expense	\$ -	\$ -	\$ 20.00	\$ 20.00					
510-4713-2200 Retirement-ER VRS & ICMA-RC Contribution	\$ -	\$ -	\$ 8,090.00	\$ 8,090.00					
510-4713-2210 Life Insurance	\$ -	\$ -	\$ 1,600.00	\$ 1,600.00					
510-4713-2220 Disability Insurance, LTD & STD	\$ -	\$ -	\$ 930.00	\$ 930.00					
510-4713-2300 Worker's Comp	\$ -	\$ -	\$ 70.00	\$ 70.00					
510-4713-2300 Health Insurance	\$ -	\$ -	\$ 13,140.00	\$ 13,140.00					
510-4713-2301 Health Reimb Act Exp	\$ -	\$ -	\$ 1,600.00	\$ 1,600.00					
510-4713-2302 Wellness Health Incentive Exp	\$ -	\$ -	\$ 540.00	\$ 540.00					
510-4713-2310 Dental Insurance	\$ -	\$ -	\$ 560.00	\$ 560.00					
100-4713-3000 Grounds Maintenance	\$ -	\$ -	\$ 3,500.00	\$ 3,500.00					
510-4713-3415 Management Services Exp - CC Marine Services	\$ 308,000.00	\$ 102,016.12	\$ 147,000.00	\$ (161,000.00)					
510-4713-4230 Marketing	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00					
510-4713-5040 Phone Service	\$ -	\$ -	\$ 2,110.00	\$ 2,110.00					
510-4713-5110 Lease, Office Equipment	\$ -	\$ -	\$ 800.00	\$ 800.00					
510-4713-5200 Insurance, Property & Gen. Liability	\$ 36,276.00	\$ 25,736.19	\$ 51,276.00	\$ 15,000.00					
510-4713-6000 Office Supplies	\$ -	\$ -	\$ 500.00	\$ 500.00					
510-4713-6050 Uniforms Expense	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00					
510-4713-6075 Hand Tools & Small Equipment	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00					
510-4713-6080 Safety Equipment	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00					
510-4713-6100 Program & Event Supplies & Awards	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00					
510-4713-6150 Computer, Software & Electronics	\$ 900.00	\$ -	\$ 10,000.00	\$ 9,100.00					
510-4713-6225 Repair & Maintenance Supplies Harbor	\$ 50,000.00	\$ 11,638.82	\$ 70,000.00	\$ 20,000.00					
510-4713-6226 Anchor Pile Replacement	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -					
510-4713-6227 Bathroom Lighting Upgrade	\$ 10,000.00	\$ -	\$ 13,000.00	\$ 3,000.00					
510-4713-6400 COGS - Fuel for Resale	\$ 319,479.00	\$ 167,166.27	\$ 270,000.00	\$ (49,479.00)					
510-4713-6410 COGS - Retail Sales	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00					
Harbor Fund Expenses Total			\$ 2,711.00						
Harbor Fund Revenue Less Expenditures			\$ -						



TOWN COUNCIL
Work Session
Cape Charles Civic Center
February 6, 2025
Immediately Following the Special Meeting

At approximately 7:15 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 Buchholz, Councilmen Butta, Grossman and Newman, and Councilwomen Ashworth and Holloway. Also, in attendance were Town Manager John Hozey, Planner/Zoning Administrator Katie Nunez, and Town Clerk Libby Hume. There were no members of the public in attendance.

John Hozey stated that he would be reviewing the Community Strategic Planning Survey Results presentation and explained the analysis that was done. Town Council would then have two weeks to review all the information provided in their binders. We would meet again on February 20, 2025 for a work session, which would immediately follow the regular meeting, to discuss the data to update the Strategic Plan and Town Priorities. He was excited when he reported that we had 449 survey responses. Unfortunately, this year, Survey Monkey added a new requirement where we could not collect contact information from responders unless they consented to providing their personal information. The first question of the online survey asked whether they would consent to the collection of their personal information and 70 respondents checked "No," and no other information was collected from them. Another 30 or so respondents must not have clicked "Submit," so their responses were also not collected. Only 335 respondents submitted a full survey, but this was still a good sample of our residents.

Council went on to review the PowerPoint Presentation and there was discussion as follows: i) Question 3-Do you own a business in Cape Charles? Only 15% of respondents stated "Yes," but it was felt that most of the Short-Term Rental (STR) owners did not consider themselves as business owners. In the future, clarification needed to be added to this question stating that this included STRs; ii) Question 6-What is your age? This was the first year that this question was asked, and it confirmed that the majority of the Town's residents were 60+ years of age. It was interesting that only 5 respondents were 30 years of age or younger; iii) Question 9-Do you feel the Town has maintained or improved its small-town character in recent years? This was a significant drop from last year's 84% down to 71%. The single greatest reason noted in the comments related to the number of STRs in town. The second most common was the loss of full-time residents. A few noted a shift from a residential small town feel to a resort small town feel, meaning a move from a small town where someone would want to live to a small town where someone would want to visit.

John Hozey asked Council to review all the comments included in their binders and to let him know if the summary needed to be updated. He then directed Council to the 2024 Ongoing Town Priorities List and noted that many of the priorities had been completed: i) Finalize the sale of the water/wastewater utilities; ii) Align Zoning Ordinances with new Comprehensive Plan; iii) Finish Trail Project – Phase 3 Peach Street; iv) Develop short-term rental regulations/ordinances. Significant work had been done on the following i) Finish Library building sale/upgrades; ii) Develop beachfront master plan. The next section below included four new items to begin as time/resources became available.

Councilman Grossman pointed out for the benefit of the new Council members that item #2 under the new items was the development of a harbor/railroad area conceptual master plan and new design guidelines since the current plan and guidelines were from 2006 and out of date. John Hozey

noted that this item included two work products a master plan and design guidelines but could be included in the same request for proposals if Council so desired.

There were no questions or any additional comments regarding the presentation.

John Hozey stated that the information reviewed tonight would be placed on the website tomorrow for public review. A work session was scheduled for February 12 to discuss the allocation of town resources. Another work session was scheduled for February 20, immediately following the regular meeting, to review the survey results to update the Strategic Plan.

Councilwoman Holloway stated that the Beachfront Master Plan Public Information Meetings need to be communicated to the public. John Hozey responded that he was waiting for the cost proposal and times from the consultants before posting those meetings. Councilwoman Holloway requested "Save the Date" information be posted so residents and out-of-town property owners could plan around the dates.

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

The Town Hall Meeting was adjourned at 7:56 p.m.

Mayor Charney

Town Clerk



Town of Cape Charles Community Survey 2024

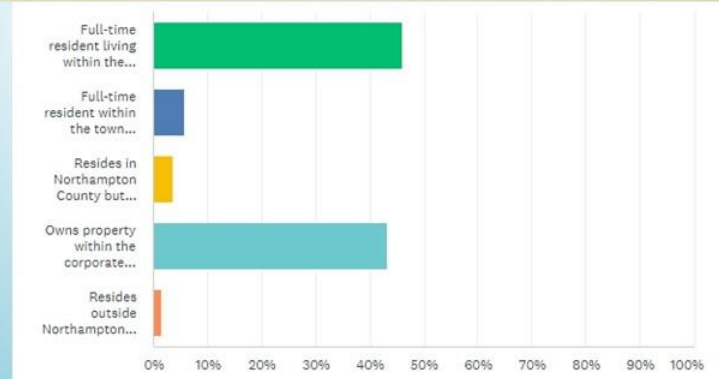
Results and Analysis

Overview

**The Following is all data collected
from 449 surveys contacted, 335
surveys submitted**

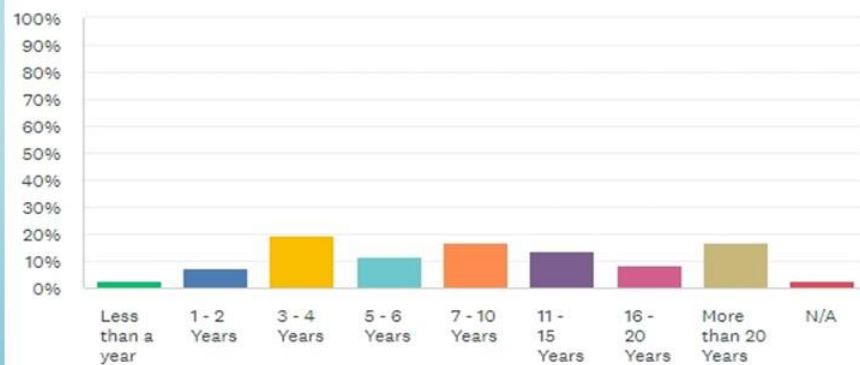
- 197 responses were submitted by Survey Monkey online
- 138 responses were submitted via paper and data was then entered onto Survey Monkey

Q1: Please choose the closest one that applies to you:



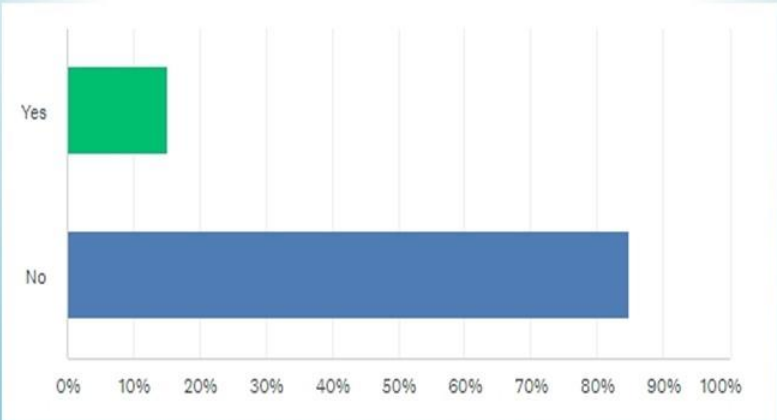
ANSWER CHOICES	RESPONSES
Full-time resident living within the corporate limits of Cape Charles.	45.97% 154
Full-time resident within the town limits, who also owns additional property within the town limits.	5.67% 19
Resides in Northampton County but outside the corporate limits of Cape Charles.	3.58% 12
Owns property within the corporate limits of Cape Charles but maintains a primary residence outside of the town.	43.28% 145
Resides outside Northampton County but a frequent visitor to Cape Charles.	1.49% 5
TOTAL	335

Q2: How long have you lived or owned property in Cape Charles?



ANSWER CHOICES	RESPONSES
Less than a year	2.69% 9
1 - 2 Years	7.46% 25
3 - 4 Years	19.70% 66
5 - 6 Years	11.34% 38
7 - 10 Years	17.01% 57
11 - 15 Years	13.73% 46
16 - 20 Years	8.66% 29
More than 20 Years	17.01% 57
N/A	2.39% 8
TOTAL	335

3: Do you own a business in Cape Charles?



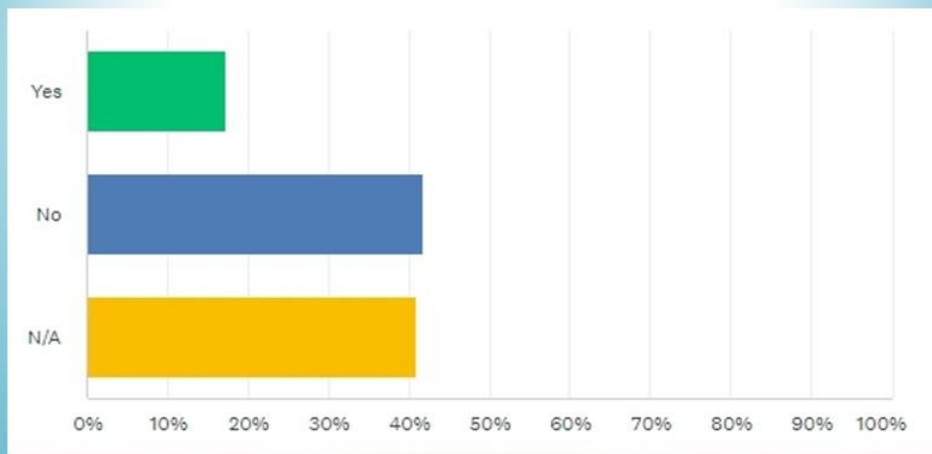
ANSWER CHOICES	RESPONSES	
▼ Yes	15.22%	51
▼ No	84.78%	284
TOTAL		335

Q4: Are you employed? Select the closest that applies:



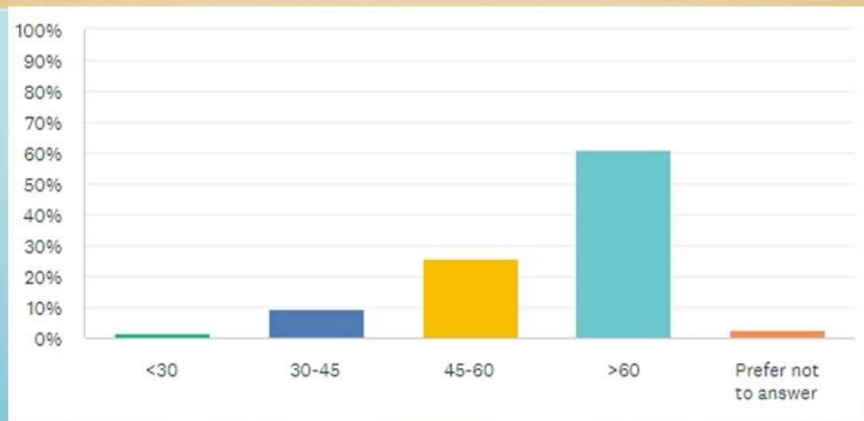
ANSWER CHOICES	RESPONSES	
▼ Full Time	42.99%	144
▼ Part Time	9.85%	33
▼ Retired	45.07%	151
▼ Between Jobs	0.30%	1
▼ Prefer Not To Answer	1.79%	6
TOTAL		335

Q5: Is your employment based primarily from your home?



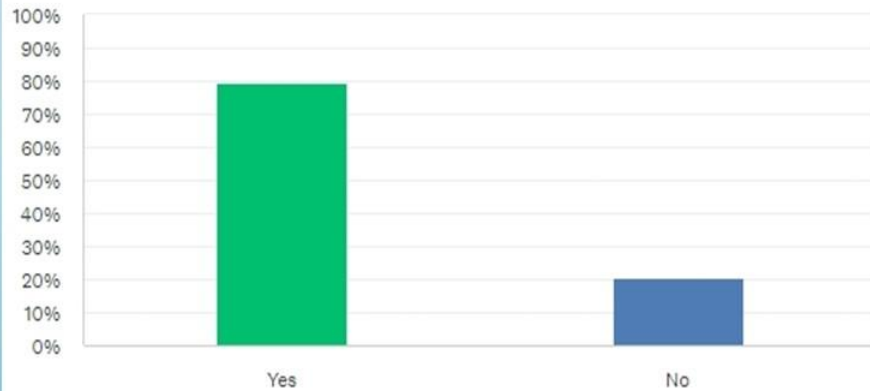
ANSWER CHOICES	RESPONSES	
▼ Yes	17.31%	58
▼ No	41.79%	140
▼ N/A	40.90%	137
TOTAL		335

Q6: What is your age?



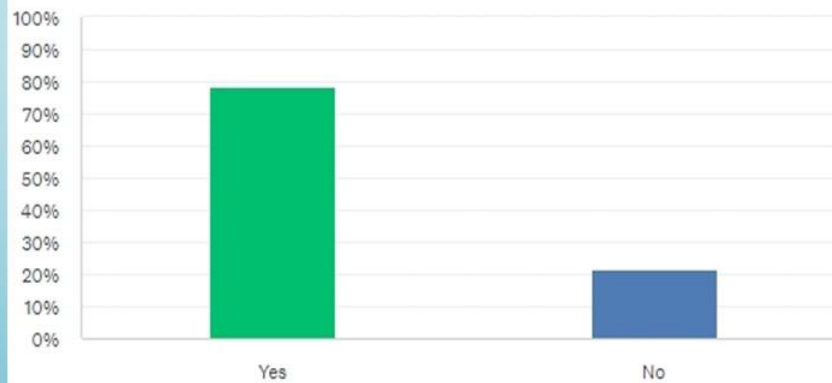
ANSWER CHOICES	RESPONSES	
▼ <30	1.49%	5
▼ 30-45	9.25%	31
▼ 45-60	25.67%	86
▼ >60	61.19%	205
▼ Prefer not to answer	2.39%	8
TOTAL		335

Q7: Do you think Town public services are appropriate for a community of our size?



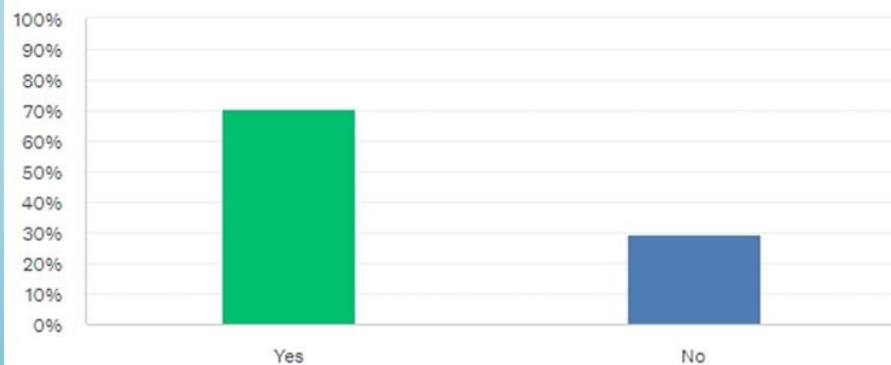
ANSWER CHOICES	RESPONSES	
▼ Yes	79.70%	267
▼ No	20.30%	68
TOTAL		335

Q8: Are you satisfied with the quality of Town public services?



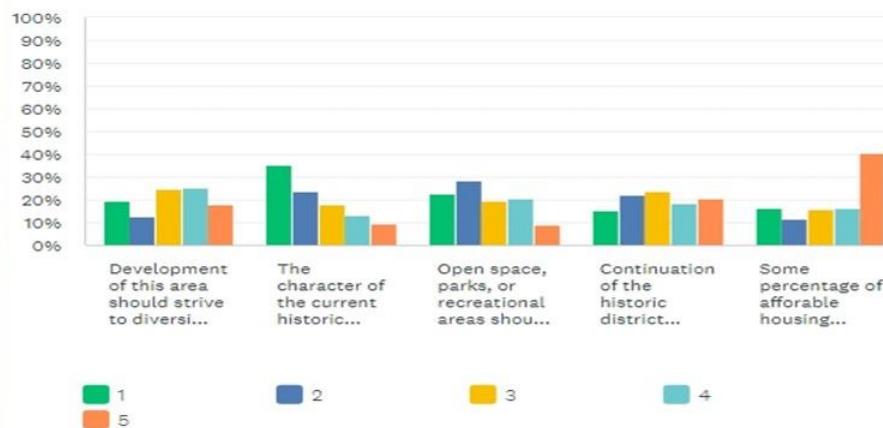
ANSWER CHOICES	RESPONSES	
▼ Yes	78.21%	262
▼ No	21.79%	73
TOTAL		335

Q9: Do you feel the Town has maintained or improved its small-town character in recent years?



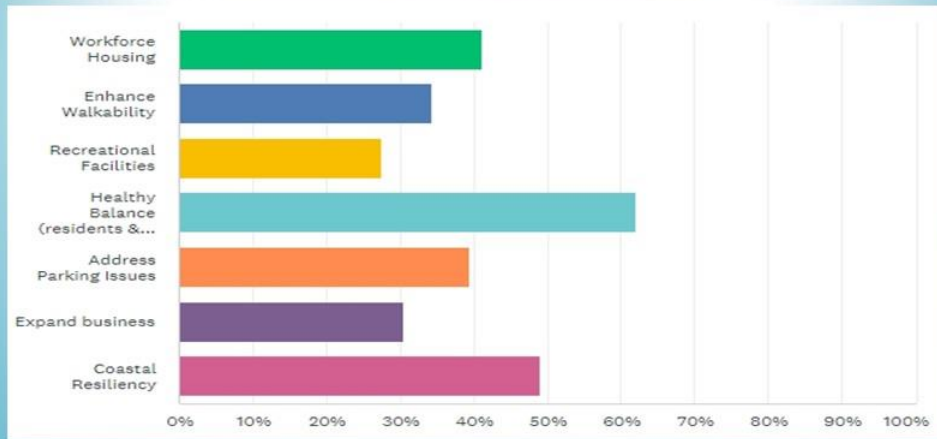
ANSWER CHOICES	RESPONSES	
▼ Yes	70.75%	237
▼ No	29.25%	98
TOTAL		335

Q10: The currently vacant railroad property north & east of the harbor has captured the imagination of residents for many years. The issues surrounding clear title to this property that have hampered development are now close to being resolved. As a result, formal planning to guide potential development in this area is ripe for discussion. Please rank the following statements in order of importance from 1 to 5 (with 1 being the highest importance and 5 being the lowest).



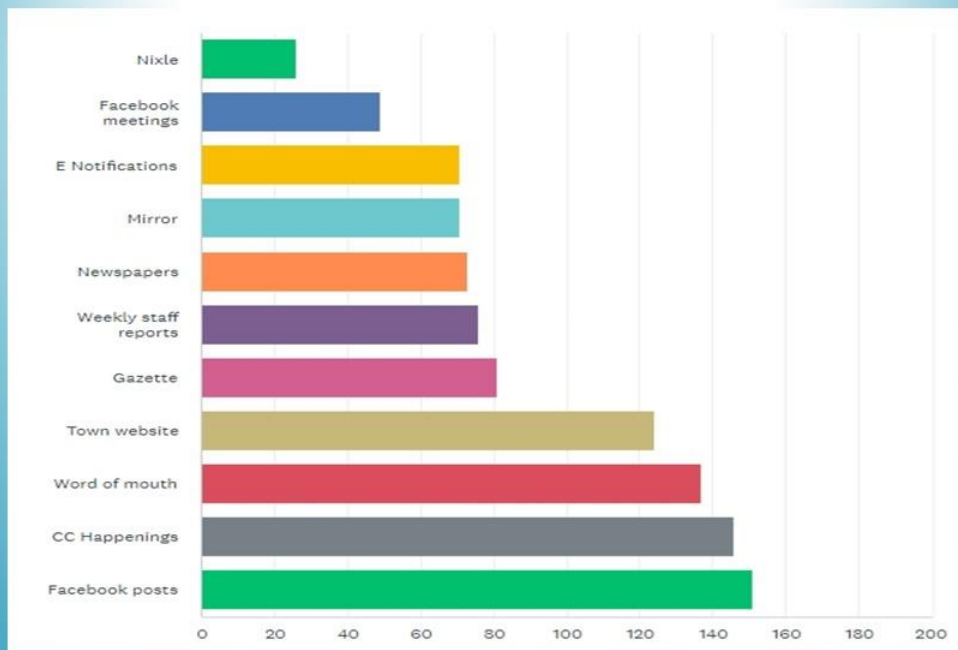
	1	2	3	4	5	TOTAL
▼ Development of this area should strive to diversify our economy beyond tourism as much as possible (though it should not detract from existing tourism).	19.57% 54	12.68% 35	24.64% 68	25.36% 70	17.75% 49	276
▼ The character of the current historic district and Mason Avenue should be replicated into this area where appropriate.	35.25% 98	23.74% 66	17.99% 50	13.31% 37	9.71% 27	278
▼ Open space, parks, or recreational areas should be included.	22.86% 64	28.57% 80	19.29% 54	20.36% 57	8.93% 25	280
▼ Continuation of the historic district street pattern into the harbor area should be considered.	15.14% 43	22.18% 63	23.94% 68	18.31% 52	20.42% 58	284
▼ Some percentage of affordable housing options should be factored into planning parameters.	16.22% 48	11.49% 34	15.54% 46	16.22% 48	40.54% 120	296

Q11: In reference to our Comprehensive Plan (which can be found on the Cape Charles website under Forms & Publications/Planning & Zoning), please indicate with objectives should be focused on in 2025 (mark your top three choices).



ANSWER CHOICES	RESPONSES
Workforce Housing	41.19% 138
Enhance Walkability	34.33% 115
Recreational Facilities	27.46% 92
Healthy Balance (residents & tourists)	62.09% 208
Address Parking Issues	39.40% 132
Expand business	30.45% 102
Coastal Resiliency	48.96% 164
Total Respondents: 335	

**Q12: What tools do you use to stay in touch with town happenings?
(Results shown in total uses).**



12: Continued

	1	TOTAL
▼ Nixte	100.00% 26	26
▼ Facebook meetings	100.00% 49	49
▼ E Notifications	100.00% 71	71
▼ Mirror	100.00% 71	71
▼ Newspapers	100.00% 73	73
▼ Weekly staff reports	100.00% 76	76
▼ Gazette	100.00% 81	81
▼ Town website	100.00% 124	124
▼ Word of mouth	100.00% 137	137
▼ CC Happenings	100.00% 146	146
▼ Facebook posts	100.00% 151	151