



TOWN COUNCIL
Regular Meeting
Cape Charles Civic Center
January 21, 2021
6:30 PM

At approximately 6:30 p.m. Mayor William “Smitty” Dize, having established a quorum, called to order the Regular Meeting of the Town Council. In addition to Mayor Dize, in attendance were Vice Mayor Bennett, Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway. Also, in attendance were Town Manager John Hozey, Chief Jim Pruitt, Project Manager Bob Panek, Community Relations Manager Jennifer Lewis and Town Clerk Libby Hume. There were nine members of the public physically in attendance, and 31 viewers on Facebook Live.

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

RECOGNITION OF VISITORS / PRESENTATIONS:

A. Recognition of Employee Celebrating a Significant Anniversary

Mayor Dize recognized Permit Technician Connie Drummond for five years of service to the town effective January 5, 2021.

PUBLIC COMMENTS:

Bill Ballard, Concerned Citizens of Cape Charles

Mr. Ballard addressed the Town Council regarding Coastal Precast Systems. (Please see attached.)

Mark Henry, Commodore, Cape Charles Yacht Club

Mr. Henry address the Town Council regarding the Cape Charles Yacht Center. (Please see attached.)

Tim Wivell, Waterman

Mr. Wivell stated that he was a full-time waterman and had worked in Cape Charles over 30 years and had been paying a year-round rate for his slip at the harbor. He brought in a lot of money into the Town with fuel sales, slip rentals, etc. He understood that rates were going up all over the bay, but the proposed rates were rough. He worked odd hours and could no longer get fuel when he needed it due to the discontinuation of the fuel cards. This was his business, and it was getting hard.

Brian Harman

Mr. Harman began by thanking the Mayor and Council for the jobs they did, which was mostly thankless. They were elected by the citizens and did a fine job. He was a 37-year resident and would be starting a new business at the Town Harbor. He suggested that if the dockage fees at the harbor had to be raised, that they be done in intervals that people could afford. This was logical and by increasing the fees gradually, it would enable people to set their goals for the future and determine what they needed to make over the next several years. Many other users agreed with this method. He had worked with athletics for 32 years and had managed different groups and several businesses and he felt that he knew how to survive and make a business manageable and profitable. The people who had been using the harbor for years, especially watermen, needed to be taken into consideration. They had to make a living. He felt that good, reasonable fees could be determined.

Town Clerk Libby Hume read comments submitted in writing from David Gay, Edward Wells, Retired Lt. Colonel Justin McCarthy, Rob Harris, and Stuart Smith. (Please see attached.)

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

CONSENT AGENDA

A. Approval of Agenda Format

B. Approval of Minutes:

- i. December 17, 2020 Regular Meeting & Executive Session

C. Approval of November 30, 2020 Financial Report

Motion made by Vice Mayor Bennett, seconded by Councilman Grossman, to approve the Consent Agenda as presented. The motion was approved by unanimous vote.

UNFINISHED BUSINESS:

There was no unfinished business to review.

NEW BUSINESS:

A. *Harbor Management Q&A:*

Town Manager John Hozey stated that on September 17, 2020, the Town Council approved a management agreement with the Cape Charles Yacht Center (CCYC) to handle the day-to-day operations of the Town Harbor, adding that he put this item on the agenda as an opportunity for Council to address their questions and concerns. JB Turner from CCYC was here to answer questions.

Mayor Dize asked about the fuel card situation adding that he was having a hard time with its discontinuation.

Mr. Turner responded that the card system was on a 2006 computer system operating on Windows 7 which was no longer being supported. CCYC was using a 2020-2021 computer system and it was not possible for data from the antiquated system from 2006 to be imported into their newer system. Mr. Turner suggested that the simplest solution was for the Town to install card readers on the pumps. CCYC wanted to sell fuel but it was important to make the systems work and with the current situation, there was no way to import the data.

Mayor Dize stated that he had the Phoenix system set up while he was the harbor master. He used to print a report from the Phoenix System and manually input the data into Town's point-of-sale system and suggested that CCYC do the same. Mr. Turner advised Council that CCYC did not have a point-of-sale system but used an integrated global system. There was much discussion between Mayor Dize and Mr. Turner.

CCYC Dockmaster Spencer Travis interjected that the current system was outdated and reiterated Mr. Turner's suggestion to install credit card readers on the pumps as the simplest solution. Mr. Travis added that Pep-Up had remote readers that could be installed. These readers would also notify Pep-Up when a refuel of the tanks was needed. The Town needed to invest in the infrastructure. Much discussion continued.

John Hozey recognized this as a problem adding that CCYC was committed to researching options for the next budget cycle.

Councilwoman Holloway asked whether the antiquated system could continue to be used for the watermen until a new system could be installed and added that she did not want to start off the relationship in this manner.

Mayor Dize noted that the police department still had the ability to fuel their vehicles using the current fuel card system and suggested that the watermen be permitted to continue using their fuel cards as well. Spencer Travis stated that the fuel cards were being used for town vehicles only.

Councilwoman Holloway added that something was needed to accommodate the watermen during the interim until the issue could be resolved. Spencer Travis stated that if the watermen were allowed to continue to use their fuel cards, golf cart owners would want the same. CCYC maintained the same standard for everyone.

Councilman Follmer stated that a distinction was already made for watermen and a provisional allowance was needed for the watermen to access fuel until a work-around could be determined. Watermen were an important industry to the Town's heritage and he completely agreed with providing special treatment for the watermen. Councilman Follmer went on to state that he could

not argue that a 15-year-old computer system was out-of-date. He heard that the watermen got letters informing them that their fuel cards were turned off. The watermen needed to be shown more respect. They were businesspeople whose livelihood depended on the harbor. The issue should have been communicated to them in advance. This could not happen again.

John Hozey stated that a separate meeting would be scheduled regarding an interim process until a solution was found.

Councilman Grossman asked whether there were other issues, other than rates, that needed to be discussed. There were none. John Hozey stated that Town and CCYC staff were working well together.

B. *2021 Harbor Fees and Rates:*

John Hozey stated that the last public comment read for the record was correct regarding the residential seasonal slip holder. He misinterpreted the information and confused the resident seasonal rate with the monthly rate and proceeded to distribute corrected rate sheets to the Mayor and Council. Rate sheets showing 20% and 30% resident discounts were distributed along with a sheet for electrical service. John Hozey went on to state that the only approved electrical rates were daily rates for 30- and 50-amp service. Monthly rates had never been approved but harbor staff made up the current, unofficial monthly rates of \$30 for 30 amp and \$50 for 50-amp service since they could not charge the approved daily rates for monthly usage. The amounts were not based on actual cost. In reviewing the proposed electrical rates, the daily cost for 30-amp service would be reduced by \$2 per day and the cost for 50-amp service would increase by \$1 per day. The CCYC numbers were based on industry standard.

There was much discussion as follows: i) Mayor Dize stated that all electric pedestals had working meters when he left the harbor in 2015. Spencer Travis stated that the meters were not maintained, and the cost of reinstalling was not feasible; ii) John Hozey stated that one of the efficiencies being sought was the ability to use the entire basin. Having different rates made it complicated. CCYC stated all along that it was their desire to standardize the rates. The Town also had an incredible number of different variations of rates that were inconsistently applied and could not be kept track of. Some boaters were not even charged what was published. There was a good argument to simplifying and consolidating the rates. The proposed rates represented a significant increase to the current rates. Discounted rates were developed for residents and commercial watermen. Currently, residents got a 5% discount and CCYC proposed a 20% discount. Full-time watermen would get a 40% discount and transient watermen would get 20%. If the individual was in good standing, the increases could be eased in over three years. The comparison report showed costs for a hypothetical 40' vessel with discounts applied. There was an issue with resident slip holders, but the goal was to try to keep the rates as low as possible for them. He spoke to CCYC earlier today about increasing the resident discount to 30% which would make it more reasonable; iii) Councilwoman Holloway stated that last year, Charlie Farlow did a rate comparison of various marinas along the bay and the rates were approved based on those comparisons. She expressed her concern that bringing the rates in line with CCYC would price Cape Charles out for our clientele. She asked whether the rates had been compared to other marinas; iv) Mr. Turner stated that CCYC looked at the rates more globally – marinas up and down the east coast from Maine to Florida, not just the neighboring marinas. Councilwoman Holloway stated that the majority of the transients coming to Cape Charles were more regional with boaters coming from Virginia Beach and surrounding areas. This was a new process and people needed to understand the changes; v) Mr. Turner stated that watermen and residents would receive a considerable discount. The proposed rates were proven year after year up and down the east coast. The transients would still come. He was told that Cape Charles was superior, and transients would come back here regardless of the rate; vi) Councilman Follmer stated his acceptance of the argument regarding transient boaters but questioned why it all needed to happen at once versus being staggered over the next couple of years. He would also like to see some regional comparisons before making a decision. He expressed his concern of a 50% increase in one year for the watermen. It was a business expense for them and would be a sharp increase for one year. He understood the matter of bringing the rates up to market standards but

did not think it should be done in one year; vii) Councilwoman Holloway agreed with Councilman Follmer and added that it would be really difficult for a business to find out that their rates would be increasing by \$X in a couple of months. When she agreed to the harbor management, her one hesitation was with rates. Everyone heard Council's concern with rates. She stated that the spreadsheets only showed the base rates and noted the discount. She suggested that the spreadsheets be updated to show the base and discounted rates for residents and watermen to make it easier to understand. Councilman Follmer agreed that with such sharp increases, the numbers needed to be better substantiated; viii) Mayor Dize agreed that the increases were hefty adding that he would like to see more discounts for watermen this year with a reduction in the discount next year. Town Council voted to have a harbor management company run the harbor and now were micromanaging things. CCYC thought they could bring boaters here even with the proposed rates. His concern was that the Town would lose the local yacht clubs; ix) Project Manager Bob Panek stated that over the years, a lot had been spent on harbor projects. In budget reviews over the past several years, the harbor operating budget sometimes broke even and sometimes lost money. Just to get to that point, there had been a tremendous amount of deferred maintenance. After investing so much money, we had a deteriorating facility. More revenue was needed to maintain the harbor. Councilman Follmer stated that he understood this, but it needed to be communicated as it was not mentioned in the staff report; x) Vice Mayor Bennett expressed his disappointment with the staff report and handouts. They were difficult to understand. Residents should be given a 30% discount and watermen needed a similar accommodation since they made their living here. The bottom line was how much more would they be paying. He also felt that the increase needed to be taken over two years versus one year; xi) Vice Mayor Bennett asked Mr. Turner about the impact on the harbor from the dust from the concrete plant. Mr. Turner responded that with the southwesterly breeze, the majority of the dust went into the Town. Vice Mayor Bennett asked whether there had been any detrimental issues from the concrete plant with boaters. Mr. Turner stated that they received occasional comments about the noise since the plant had more activity; xii) Vice Mayor Bennett stated that he did not think Council had enough information to make a decision tonight. He was not opposed to increasing rates, but more information was needed. He also commented that he did not understand the treasurer's report showing a huge increase in revenue at the harbor. Since the rates would be effective April 1, a decision could be made at the February meeting; xiii) Mayor Dize asked whether John Hozey recommended Council approval of the proposed rates. John Hozey responded that he recommended approval of the updated rates that he distributed with residents getting a 30% discount. There would be no problem with a delay in the decision until the February meeting.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to delay the decision regarding the harbor rates until the February meeting so more information could be presented addressing the comments and concerns raised tonight. The motion was approved by unanimous vote.

C. *Revisions to Town Code - Chapters 14, 42, 70, 71 and 72:*

Bob Panek stated that revisions to the Town Code were periodically required to reflect policy initiatives, conform to new federal or state law, recognize changes in organizational structure, etc. Bob Panek proceeded to review the changes as follows: i) Contracting for management of the Town Harbor necessitated revisions to Chapter 14 – Beaches and Waterways. Upon review, other inconsistent and out of date items were also updated; ii) A section in the Town Code addressed boating safety which was pretty complicated. The issue was that state law governed boating safety and provided the ability for localities to enact special laws in territorial limits. Cape Charles had very little water in territorial limits so there was no need to enact special ordinances or replicate any ordinances for so little area. State law provided for any law enforcement officer to enforce the law. The proposed changes recognized this, and he was able to strike a lot of boating regulations from the Town Code; iii) Councilman Grossman had asked him a question regarding traffic which did not belong under Chapter 14 – Beaches and Waterways. After Councilman Grossman's questions, he did some more research of the Town Code and there were some conflicts with the state law regarding operation of bicycles on sidewalks. He would be

working on a complete revision to Section 42.7 of the Town Code; and iv) Recent organizational changes necessitated revisions to Chapters 70 – Water Supply, 71 – Sewers and Sewer Use, and 72 – Water and Sewer Service. These changes were limited to the deletion of an obsolete organizational reference in certain sections.

Bob Panek stated that if Council wanted to adopt Ordinance 20200121 tonight, the changes to Section 42.7 needed to be stricken. He added that he was working on some additional sections, such as governing of junk yards and commercial recreation centers which were both superfluous and predated the zoning ordinance. Section 42.7 could be reviewed and approved when reviewing these additional changes.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to adopt Ordinance 20210121 – Adopting Revisions to Cape Charles Town Code Chapters 14, 70, 71 and 72 and removing changes within Chapter 42 as discussed. Mayor Dize moved for adoption of Ordinance 20210121 as noticed and forewent reading of the ordinance. The motion was approved by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Buchholz, yes; Follmer, yes; Grossman, yes; Holloway, yes.

Vice Mayor Bennett thanked Bob Panek for his work on these revisions.

D. *Authorization for Town Manager to Negotiate and Settle Pending Lawsuit with Kevcor, Inc. Within Budget Constraints:*

John Hozey stated that he and Bob Panek participated in a lengthy mediation session and a tentative agreement was reached. The fine details were still being worked out. If everything worked out as discussed during the mediation, the settlement would be \$1,600 more than the budgeted amount, but there were sufficient funds in the budget to cover the settlement. The Town's attorney stated that the town manager had the broad authority to settle the case, but he preferred to bring it to Council for authorization.

Motion made by Vice Mayor Bennett, seconded by Councilman Buchholz, to authorize the Town Manager to finish negotiations and settle the pending lawsuit with Kevcor, Inc. within currently budgeted resources. The motion was approved by unanimous vote.

TOWN MANAGER COMMENTS

John Hozey commented on the following:

- 1) He asked about the upcoming strategic planning retreat currently scheduled for February 6 and 7, 2021. He was working on the agenda but wanted to check with Council to make sure they were still comfortable with moving forward. The retreat was delayed a month due to COVID-19 and the number of cases were continuing to increase. The Cape Charles Volunteer Fire Company was secured to ensure adequate social distancing. He felt it would be possible to hold the retreat in person and spread everyone out. The public was invited to attend to observe but would not be participating in the discussion. The Planning Commission was invited to participate for discussion related to the comprehensive plan. Northampton County was also working on their comprehensive plan and it was scheduled to be released on February 5 with 30 days for comments. He didn't want to comment on the county's plan until after our strategic planning. He would prefer not to delay the retreat again. If the retreat was pushed back again, it would place a crunch on the budget planning.

The Mayor and Council were okay to move forward with the February dates in person.

- 2) Typically, Jodi Outland presents the health plan options to Council in February. Since there would not be a special meeting in February, due to the strategic planning retreat, the health plan presentation would be scheduled for the March 4 meeting.
- 3) We did not have a special meeting in January because the strategic planning retreat was initially scheduled for January. He was not planning a special meeting in February for the same reason. Unless there was a business reason, he was inclined not to have a special meeting the first week of February.

- 4) He had been overwhelmed with a lot going on. He was behind schedule with projects. He would try to develop the next steps and scope of work for the unsolicited proposal for the sale of the utility systems. The second, confidential, proposal was received from Virginia American Water. We now had two complete proposals, but he had not had time to review them to recommend the next steps. The scope of work was needed in order to put out the request for proposals for a consultant to assist in the review of the proposals. He thanked Council for their input.

Vice Mayor Bennett asked if Council could see the proposal from Virginia American Water. John Hozey would provide the confidential proposal to Council.

MAYOR AND COUNCIL COMMENTS

Councilman Grossman commented as follows: i) He recognized Libby Hume for being selected as first vice president of the Virginia Municipal Clerks Association; ii) He thanked Bob Panek for his efforts on the Town Code and comparisons with the state law; iii) Progress in the Kevcor issue would not be this far along without Bob Panek's contract oversight and maintenance. He appreciated Bob Panek's project management expertise; and iv) He asked about the town planner and zoning administration for near term projects. John Hozey responded that he had some thoughts but was unprepared to share them at this time.

Councilwoman Holloway stated that she realized everyone was busy, but the season would be here before we knew it. There were a couple of items that had been postponed that needed to be resolved. i) Short-term rentals – We needed to get back on this issue to figure out how to manage them; ii) Boat parking; iii) Golf carts. Council needed to designate time to discuss these items. Chief Jim Pruitt stated that he sent an email to Council regarding some of these issues several weeks ago and had not received any responses. Councilwoman Holloway asked Chief Pruitt to resend the email.

Councilwoman Holloway went on state that the issue of the Historic District Review Board guidelines and Council's expectations needed to be addressed. She had never received so many citizen complaints in the past. Many times, she agreed with the citizens. There were issues and a board member was unhappy and wrote in to express his concerns. There was an elephant in the room. Council was dealing with appeals, not the elephant.

Vice Mayor Bennett stated his agreement with Councilwoman Holloway regarding the historic district guidelines. It kept dragging on but needed to be a higher priority.

Councilman Follmer, Bannon and Buchholz did not have any additional comments.

Mayor Dize commented as follows: i) He thanked Bob Panek for his work on the Town Code. He realized that the Town Code and Zoning Ordinance needed review and updating, as well as the comprehensive plan. He was hopeful that a vision to moving forward could be identified during the strategic planning retreat. There were lots of things needing to be done and all needed to be prioritized and completed; and ii) He wished everyone a happy new year.

Mayor Dize read the announcements.

Motion made by Vice Mayor Bennett, seconded by Councilman Bannon, to adjourn the Town Council Regular Meeting. The motion was approved by unanimous vote.

The meeting adjourned at 8:12 p.m.

Mayor Dize

Town Clerk

**Comments & Information Provided in Writing
January 21, 2021 Town Council Regular Meeting**

Bill Ballard

Honorable Mayor and members of the Council.

My name is Bill Ballard.

I live at 115 Mason Ave. #302.

I am a member of Concerned Citizens of Cape Charles, a grass roots group of property owners and taxpayers.

I am here to voice our concern about the future of Cape Charles. There are issues that exist that will shape the future of our town and, if left unaddressed, will cause its death as we know it today.

Simply put, those issues are captured in two words: noise and dust. Noise and dust generated by Coastal Precast Systems.

I ran into a successful businessman the other day and asked him when he had come to Cape Charles. About 15 years ago, he said. What was it like? It was a dump. Why did you stay? Because I saw potential. Fortunately, others saw potential, and Cape Charles has become a destination for boaters and tourists. For retirees and young families. For vacationers and permanent residents. It has risen out of boarded up houses and empty storefronts, crime and few jobs. It has become a town of rising real estate values, of growing retail sales, of increasing visitor traffic. It has prospered not because of the presence of Coastal Precast or its predecessor but in spite of it.

Should these two issues go unaddressed, the tourist and boaters will come less and less. Retail sales and vacation rentals will decrease. With that, the real estate bubble we see today will burst and values will fall. Real estate taxes, sales taxes, and lodging taxes will decrease. Lower tax revenue will result in reduced services provided for the community. That will result in people leaving the town. The downward spiral will accelerate. We could, once again, become the dump that man found 15 years ago.

We recognize that Coastal Precast is the largest employer in the county. We recognize their purpose is to make money, but we demand that their success not be to the detriment of the lifestyle, livelihood, peace and quiet of the other businesses, citizens, and residents of this town.

We call on you, the town council, to take steps to resolve these issues and others that may arise. As a first step, we recommend the formation of a standing ombudsman group, made up of some of the members of our Concerned Citizens and at least one member of Town Council to serve as a liaison between the town and Coastal Precast. This will be an ongoing process.

The future of our town is before us.

Mark Henry



Cape Charles Yacht Club
Celebrating the Chesapeake

January 21, 2021

Good Evening Mayor, Town Council Members, and other here and all those watching from somewhere else.

I am Mark Henry, current Commodore of the Cape Charles Yacht Club, representing over 150 members and our mission to promote boating in Cape Charles.

When I was here several months ago speaking on the topic of the Cape Charles Yacht Center's proposal for managing the Cape Charles Harbor, I noted that residents should not have to pay more for boat slips in the Town Harbor.

JB Turner, of the Yacht Center, said that evening that he would try not to increase rates for residents. Town Council said that it had control of rates even under the proposed harbor management contract, and the Yacht Center could do things like raising rates for certain size and types of slips which it felt may be underpriced.

Well, here we are in 2021, with the proposed slip rates increasing pretty much across the board. Of major interest to Cape Charles Yacht Club members is the approximately 25% increase in the Residential Seasonal Slip Rate that applies to most locals that use the Town Harbor slips from May through November.

A 25% increase is too much all at once! This is a dramatic, and sudden change in terms for boat owners planning to keep a boat at the Harbor. We do not see this size increase year-to-year for other things like taxes, or utilities for our homes, and we should not see it in the amount residents pay for Harbor boat slips.

The Yacht Center has already increased land storage rates by 17% in one year and has proposed increased charges for just about everything else in the Harbor. The Yacht Center could make money on non-resident slips, transient slip users, and all other services they offer. This increase for residents' slips is not necessary, and since the number of residents compared to the total slips is relatively small, the revenue impact for not raising residents' rates would be minimal to the Yacht Center and the town. This could apply to slips for local waterman too.

Many residents feel as one Yacht Club member put it: There aren't many residents who have a seasonal slip, so overall a low resident slip rate would not impact revenue much. Non-residents and tourists could mediate the increase just like with the recent Northampton County school construction tax!

Many residents are happy to see the Cape Charles Yacht Center here. The Yacht Center offers excellent services we may not have otherwise, and it creates some jobs. Many are also hopeful that the Yacht Center will maintain, repair and make improvements within the harbor.

But Yacht Center revenue increases should not come at the expense of Town residents with an increase in slip rates. Town residents are already paying taxes which support the harbor and other taxes that have supported the grants and other improvements for the harbor. This has laid the groundwork for the Yacht Center's operations. To add an increase in slip rates for residents is like adding another tax upon them.

I would also strongly suggest that the town conduct a rate comparison analysis comparing proposed rates for residents to other marinas in the Tidewater area. A quick look at several in the area revealed public rates from \$5.75 per foot to \$9 per foot with those higher than \$5.75 having pools, tiki bars, indoor marina facilities and the like. These are rates before residential discounts. The only one at \$9 per foot was addressing services including larger, luxury yachts.

A survey of our Cape Charles Yacht Club had an overwhelming response indicating members do not want to see slip rate increases within the Harbor. Only one response indicated a desire to see increased rates and two indicated no preference one way or another mainly because they were not currently, or likely to use the boat slips in the future. All other member responses expressed a desire not to have these increases for slip rates for residents.

Also, rather than using meters for electricity usage, the proposal is for a fixed fee. For example: \$35 per month for a 30A Electric pedestal

Very few locals use much electricity. For someone just using enough electricity for something like a battery charger a \$35/month fee is too much!

Transient slip users, and out-of-towners keeping their boats here typically use much more electricity for things like air conditioning and cooking on board. Electricity should be billed on a metered usage basis. Otherwise, locals are subsidizing heavy users, and at the same time could be making electricity revenues exceed actual electricity usage. This can inflate the Yacht Center's gross receipts not based on actual usage. Meters can remedy this fairly, and this is what most marinas do.

Lastly, it is unknown what policies will be around future slip availability and retention of slips by residents from year-to-year. Currently the town makes a designated number of slips available, and generally lets a resident have the same slip from year-to-year for seasonal/annual slip holders. Our members want this to remain the same.

Members would also like a few public slips to be able to dock temporarily within the Harbor for visiting local restaurants.

Thank you for taking our input, and please consider putting the need for more revenue on non-residents and transient boaters and not put an additional burden on town residents.

Sincerely,
Mark Henry
Cape Charles Yacht Club – Commodore

David Gay

Subject: Re: Updates for Cape Charles VA

My name is David Gay. I live at 506 Monroe Avenue, Cape Charles, VA. I wish to voice my objection to the Harbor Rate Proposal that is being presented at the Town Council Meeting on 1/21/2021. The proposal does not address the number of slips available by boat length. The proposal does not indicate how many slips are available for boats under 20' in length. The proposal does not address the number of slips available for full time town residents. I request that the proposal be revised to answer the concerns I have stated above. Thank you for your consideration of my concerns.

Edward Wells

Subject: Town Council Meeting January 21 , 2021

Good Evening

Thank you, Mayor Dize and members of town council, for your service.

I would like to address the meeting of the town council on December 17th, 2020. I believe council's decision not to re-appoint Mr. Kerry Shackelford to chair the HDRB was a disservice to the town of Cape Charles. I have served with Kerry for almost two years. In that time, I believe he has served with fairness, respect, honesty and integrity. He has not shown any vindictiveness to any applicant that has come before our board. His experience and professionalism in the area of historic homes and architecture is exceptional. Certain members of council suggested the HDRB guidelines needed work, but that was not the entire fault of the guidelines suggesting Mr. Shackelford or other members were at fault? It was also stated that members were treating Cape Charles as a museum along the lines of a "Williamsburg ". I find that statement totally absurd. We try to use our "guidelines " to the best of our abilities. We were in the process of updating guidelines for new construction and infill work. We were told to stop working on them until a later date. In the agenda at your meeting on the 17th of December 2020 it is recommended by "staff" to council to re- appoint Mr Shackelford. Obviously, this was not considered in your determination. Council did not follow protocols in their decision. HDRB By-laws Article 2 states how a member can be removed. In less than two years I have witnessed soon to be 4 different Chairmen and Chairwomen and at least 7 board members resign or not be reappointed. So, there is some inconsistency with that much turnover. However, the HDRB responsibilities have also changed we now encounter zoning ordinances and building code overlap with our guidelines. We have encountered some residents and contractors who are not getting the permits required also some do not have a town business license or a state contractor's license. This has caused some consternation among some of the board members and myself. I believe we as a Board try to be fair and consistent (it's not easy) and I think we are doing better. In the months from July 2020- December 2020 we heard a total of 37 pre applications and certificates of appropriateness applications we had 2 go to town council appeal. Some council members have stated members of the community are not aware of the procedures in place (permits, zoning and building codes). I would agree to a certain extent. However, ignorance is no excuse. I believe new and old members of our community tourists and contractors alike would be more aware of our community requirements if we placed a sign Designating that they are entering " CAPE CHARLES" HISTORIC DISTRICT. not just historic downtown. Along with that sign i might suggest a smaller one stating" Contractors permits required " this will let them know to make sure they find out the proper requirements for doing work in the" Historic District".

Thank You,
Edward Wells
Vice - Chair Historic District Review Board

Lt. Colonel Justin McCarthy USA, CE, (Ret.)

Subject: Fwd: Item 7b (Harbor Fees and rates) on the town Council agenda for Jan.21, 2021

Hello Mayor Dize and Council Members,

By way of introduction, my name is Lt. Colonel Justin McCarthy USA, CE (Ret.). I own a 53' Hatteras M/Y which has been moored on "D" dock in the Cape Charles Town marina since last May. My wife Terry and I reside in Virginia Beach but have been frequent visitors to Cape Charles for the past several years. We have enjoyed Cape Charles so much that we decided to moor our boat year-round in your very friendly marina. Family members have joined us and are now summer cottage renters in Cape Charles.

Upon retiring from active military service in 2000 I became the village manager of a private, family oriented, barrier beach community off the coast of Long Island, New York. That position covered 15 years at which time I retired again, hopefully for good. I mention this because **part** of my responsibility included managing a 100+ slip marina with a private ferry boat, fuel sales, parking etc. and a large Yacht Club complete with sail training for residents and children. During my tenure as manager, I worked with the U.S. Army Corps of Engineers to successfully get my community through hurricane Sandy recovery in 2014. Hurricane Sandy devastated our village of 150 historic homes, stores, tennis courts, dormitories, church, dune system and general infrastructure. Being an Army Engineer was a big plus as I knew the folks in the New York District Headquarters and how disaster recovery works. Point being, I know how to run a successful marina!

Mr. Mayor and Council Members, I have just become aware of the Towns' management agreement with Cape Charles Yacht Center and the subsequent plan to raise dockage fees in the marina. My recent comparison of fees now (2020) shows the proposed 2021 fees to be **substantially more**. If approved, they will cause boat owners such as myself to re-evaluate their 2021 plans.

For example, from April 1st, 2020 to October 31, 2020, the "In Season ", I paid \$2,854.25 or \$407.75 per month for our berth which **included \$50.00** per month for 30 AMP electric service. Now the proposed rate to \$10.00 per foot will increase our seasonal rate to \$530.00 per month **PLUS \$105.00** per month for electric. **A total of \$635.00 a month** for a slip that cost us \$407.75 this past year. That represents an **increase of \$227.25 per month or an increase of 56% which I find to be unfair to all residents and visitors**. With the Federal CPI hovering around 1.4% the proposed increase is lacking in explanation, candor and reasonableness which causes folks to wonder "what is going on?" Were any improvements made recently to the marina which have not been brought to our attention. I further suggest that an electric increase of **\$55.00 per month or 110%**. is completely unfair to all marine residents and visitors to Cape Charles. Have the Council's personal electric costs gone up 110%? this past year? I think not.

May I suggest a phased introduction to increased rates which will take the "sting" out of these large proposed increases and will foster goodwill among resident and visitor yachtsmen. I thank you for your time, assistance and understanding of this matter and look forward to meeting you tonight.

Respectfully,

Lt. Colonel Justin McCarthy USA, CE, (Ret.).

Owner M/V Hooch

Rob Harris

Subject: Marina Rate Increases

To the Town Council,

I am very concerned about the rate increases. It appears these increases are well beyond the rate of inflation. And I have seen no comparison data that justifies these increases.

Please make sure any rate increases are justified.

Sincerely,

Rob Harris

Stuart Smith

Subject: Proposed New Rates for the Cape Charles Harbor

I am writing to express my concerns and strong objection to the radically increased slip charges and new fees for Cape Charles **residents** in the Cape Charles Harbor.

I have been boating on the Chesapeake Bay since 1983 and have never seen proposed rate increases of this magnitude in a single year.

As we neared retirement and transition to a fixed income, we choose Cape Charles for many reasons. The small-town atmosphere, ready access to many activities, the opportunity to meet new friends, a close by harbor that did not require a long commute, and a moderate cost of dockage all contributed to our decision. Until now all of those attributes have validated our decision to retire here.

We expect that rates do creep up over time, especially where marinas make substantial new investments that are complimented by new amenities adding value. However, most of these marinas are private investments unlike the Town Harbor, where infrastructure improvements are mostly funded by grants (Federal, State) and supported by local contributions (tax dollars) from **residents**.

At the August 2020 workshop to allow the public to comment on the pending contract with the Cape Charles Yacht Center (a private company), many attendees expressed concerns of substantial price increases for recreational boaters and watermen. Council pointed to the fact that it would still control pricing, and JB Turner (principal owner of CCYC) in response committed that prices for residents would not be raised. Clearly, that commitment has not been honored.

With the posting of the new proposed rates and fees it's clear that harbor rates are going up substantially for residents if approved as proposed. And the new rates are on top of 30% increases put in place over the past few seasons.

The principal category of rates that most resident boaters have preferred is a Seasonal Rate plan that provided seven months of dockage (May thru Nov). The 2021 resident rate represents a 25%+ increase over 2020. This is simply an unacceptable plan.

The line in the table presented by Manager Hozey labelled Resident Monthly (3+ months) is simply an invalid comparison and flawed by using a very short term Quarterly in Season rate which is rarely if ever used by residents. The only valid compare is against the 2020 Seasonal Rate category. Choosing a Quarterly in Season rate to represent resident boaters mainstream choice is a massive distortion which distracts attention away from actual rate changes most residents will actually experience. In reality there is no rate decrease for the majority of resident boaters.

I call upon Council to hold rates at the same price levels of 2020 for **residents** (expressed in the new 2021 structure) especially in consideration that rates have already been increased by 30% over the past several seasons. Even at these levels residents will still be making considerable contributions to the harbor revenue.
