

**MINUTES OF THE JUNE 20, 2013**  
**CHINCOTEAGUE TOWN COUNCIL MEETING**

**Council Members Present:**

John H. Tarr, Mayor  
J. Arthur Leonard, Vice Mayor  
Ellen W. Richardson, Councilwoman  
Gene W. Taylor, Councilman  
Tripp Muth, Councilman  
Terry Howard, Councilman

**Council Members Absent:**

John N. Jester, Jr., Councilman

**CALL TO ORDER**

Mayor Tarr called the meeting to order at 5:00 p.m.

**INVOCATION**

Councilman Howard offered the invocation.

**PLEDGE OF ALLEGIANCE**

Mayor Tarr led in the Pledge of Allegiance.

**OPEN FORUM/PUBLIC PARTICIPATION**

Mayor Tarr opened the floor for public participation.

- Supervisor Wanda Thornton approached Council regarding the budget proposal. She advised that she received a letter that Mr. Papadopoulos wrote. She agreed that taking money out of the Reserve to balance the budget is not a wise move. She stated that the Town needs to have the money set aside to run the Town for an extended amount of time. She complimented the Town on the improvements. She also added that having the matching grants isn't always a good move because the Town would have to come up with the matching money.

Supervisor Thornton also stated that during last year's budget hearing she objected to the Transient Occupancy Tax increase. She mentioned that the increase was to go toward the beach in case the Town had to do anything to defend their position of the beach. She stated that looking at the budget the money is going into Tourism, Recreation and the Beach. She feels this wasn't her understanding and expressed her opposition.

Supervisor Thornton also advised that she read the Wastewater Study. She congratulated those who worked on it. She expressed her concerns with the Maryland Coastal Bays and their involvement in the Town's business and their published misinformation. She advised that she is writing a letter to the Secretary of Natural Resources and suggested the Town do the same requesting any information submitted from the Maryland Coastal Bays regarding the Chincoteague Bay. She urged Council to take some action to find out what they're reporting. She thanked Mayor Tarr and Council for their time and feels they are doing what is in the best interest of Chincoteague.

There was brief discussion.

- Mr. Spiro Papadopoulos also approached Council regarding the budget proposal. He doesn't feel it is balanced if the Town is borrowing money from the reserve. He suggested that the information for the public hearing was misleading. He expressed his concerns about giving money to the Community Center. He would like this to be revisited as to why the Town is supporting something that is a losing proposition on a continued basis.

### **AGENDA ADDITIONS/DELETIONS AND ADOPTION**

Councilman Howard motioned, seconded by Vice Mayor Leonard to adopt the agenda as presented. Motion carried.

Ayes: Leonard, Taylor, Muth, Howard, Richardson

Nays: None

Absent: Jester

#### **1. Possible Adoption of the Fiscal Year "2014" Budget, Consisting of:**

- |                                    |                                 |
|------------------------------------|---------------------------------|
| • Revenues for all Divisions       | • Trolley Division Expenses     |
| • General Government Fund Expenses | • Harbor Division Expenses      |
| • Water Division Expenses          | • Water, & Gen Gov. Rate Sheets |
| • Total Main Street Fund Expenses  |                                 |

Town Manager Ritter highlighted the budget proposal:

- Total budget: \$7,461,739
- General Fund: \$5,195,723
- No Real Estate or Personal Property Tax increase.
- No proposed increase to Transient Occupancy Tax or Meals Tax.
- No proposed increase to Water rates or Trash Fee Rates.
- The Town did not begin work on the Safe Routes to Schools and will begin it in this fiscal year.
- There is money placed in the budget for a new 911 system, \$260,753 and receive \$150,000 in a VITA Grant.
- The proposed withdrawal from the General Fund Savings Account was \$141,000 for the east side of Main Street.
- Putting \$66,000 away for the Recreation, Tourism, Beach Reserve
- Proposed Fishing Pier budgeted amount of \$232,111 and will receive \$129,000 RFAB Grant.
- The Town's match will be \$103,028 which will be from the Recreation, Tourism, Beach Reserve.
- Also coming from the Recreation, Tourism, Beach Reserve funds will be \$10,000 for the Ocean Boulevard Extended trail and \$36,500 for Alcalde and Fay consultants.
- \$51,000 for parks.
- \$22,000 for repairs to the Memorial Park Boat Ramp
- \$10,000 Fuel Pump Card reader system
- The Water Department proposes to install a booster station to help with water pressure at the northern end of the Island and to transfer \$50,121 to Water Reserve at the end of the year.

Councilwoman Richardson expressed her discord with the Town flat lining the Civic Center's funding. She doesn't want to see the taxpayers supporting it and feels something needs to be

done. She asked about the \$10,000 listed in the current year's budget for the Ocean Boulevard Extended trail.

Public Works Director Spurlock advised that it was to be split between the two fiscal years totaling \$20,000.

Town Manager Ritter advised that it is \$10,000 for the pilings and \$10,000 for the boards.

Mayor Tarr explained that the Center's revenue every year was going down and the Town's contribution to them was going up. He feels that this it's a good start. He advised that their total budget is approximately \$185,000 and the Town is paying roughly \$145,000 of it with Transient Occupancy and Meals Tax money.

Councilman Howard stated that he also read the letter and has the same concerns. He understands that community centers aren't self-supporting. He agrees that the Town shouldn't take money from savings to balance the budget. He feels that the Town can't continue to spend and should stay within their means.

Town Manager Ritter explained that they are taking \$141,000 out of General Fund Savings for the match for the Transportation Enhancement Grant, a total project of \$706,412 to finish up the east side of Main Street. He added that they are putting away a little over \$66,432 into the Beach, Tourism and Recreation Reserve and the difference is \$74,000 that is taken from the General Fund. He also stated that usually by the end of the fiscal year they don't always have to take the money from LGIP.

Councilman Muth asked for clarification.

Town Manager Ritter again reviewed the transfers in and out of the General Fund Savings along with the projects and the Town's match.

Mayor Tarr reminded Council that the transfers were discussed during the budget hearings directing staff not to use the General Fund Savings. He advised that this is the first year in a while that they are putting money back into the Water Reserve. He stated that they received two grants this past year that they didn't have the matching funds for. However, the Town could afford the grant and needed to finish the downtown project. Mayor Tarr stated that they have researched the approval for the Beach, Tourism/Recreation Reserve. There was a discussion in the Financial Department regarding the 1% and if the Center was to be receiving a percentage of this 1%. The research was done and a full 1% goes into this fund. Council decides what comes out of that fund and the beach is a #1 priority. He added that this was to put money into this fund each year and nothing was to come out of that fund except by vote of Council each year during the budget process.

Mayor Tarr stated that if the budget does not pass there will have to be another meeting before July 1<sup>st</sup>.

Mayor Tarr, prior to adoption, mentioned the 3 changes to the fee schedule, one regarding no fine or fee for a blowup pool, another was the fine for the 3<sup>rd</sup> offense for failing to obtain a building permit and the Zoning Fees for multiple variance requests.

There was discussion regarding the changes.

Councilman Howard suggested having another session to review the budget further.

Councilman Taylor agreed that they shouldn't approve any further grants unless they are funded in the budget. He feels that they shouldn't take the money from savings to cover the matching funds for a grant. He understands that they have to be funded but feels there should be a line item on the budget not funding it through savings.

There was further discussion regarding continuing the current projects and not allowing any new grants without prior budgeted matching funds.

Mayor Tarr reminded Council that they would be basing future grant opportunities on this.

Vice Mayor Leonard motioned, seconded by Councilman Taylor to adopt the fiscal year 2014 budget as presented including the Real Estate Tax Rate of \$0.07/100 of assessed value, Tangible Property Tax Rate of \$0.85/100, Tangible Property Tax Relief of 65%, Excise Tax (meals) at 5%, Excise Tax (Transient Occupancy) at 4%, General Government Fee Schedules, Water Fee Schedule and appropriate the funds for disbursement. He amended his motion adding:

- To approve the word "permanent" in the General Government Rate Sheet for above ground swimming pool permit fees.
- Removing the new language "third offense or each offense thereafter" for beginning construction prior to obtaining a building permit and removing the change of the fine of "\$500"
- Removing under Zoning Fees the verbiage "for each variance request under the Variance Application and Special Use Permit & Variance Application processed and presented at the same time. Motion carried.

Ayes: Leonard, Taylor, Muth

Nays: Howard, Richardson

Absent: Jester

## **2. Nominations for 2 New Members of the Cemetery Committee (2-Year Term**

Councilwoman Richardson reported that there were two people who contacted the Town that were interested in serving on the Cemetery Committee.

Mayor Tarr opened the floor for nominations.

Councilman Howard nominated Mr. Kenneth Webb.

Mayor Tarr closed the floor for nominations for the first position. He called for a vote for Mr. Kenneth Webb. All were in favor with the exception of Councilman Jester who was absent.

Mayor Tarr opened the floor for nominations.

Councilman Muth nominated Mrs. Amanda Betts.

Mayor Tarr closed the floor for nominations for the second position. He called for a vote for Mrs. Amanda Betts. All were in favor with the exception of Councilman Jester who was absent.

### **3. Discuss the Bid to Replace the Boat Ramp Bulkhead at Chincoteague Veterans' Memorial Park**

Town Manager Ritter advised that the bulkhead on both sides of the boat ramp at the Chincoteague Veterans' Memorial Park is in need of replacing. He explained that they have in the current budget \$18,000, they also budgeted \$22,000 in the upcoming budget. He added that the cost of the project is \$30,000. Fisher Marine was the only bidder to replace the bulkhead and raise the decking.

Councilman Taylor motioned, seconded by Vice Mayor Leonard to approve the bid from Fisher Marine in the amount of \$30,000 to replace the boat ramp bulkhead at the Chincoteague Veterans' Memorial Park. Motion carried.

Ayes: Leonard, Taylor, Muth, Howard, Richardson

Nays: None

Absent: Jester

Mayor Tarr asked about the time frame. He does not want the work to be going on for the July 4<sup>th</sup> holiday weekend. He asked if this needs to be done during the summer months.

There was brief discussion.

He requested a schedule of the work to be approved by Council prior to starting the project.

### **4. Possible Adoption of the "Final Report" of the Wastewater Advisory Committee**

Chairman Papadopoulos advised that this was completed with a lot of effort over a two-year period for what they call a Wastewater Management Plan. He advised that they appreciate all the effort particularly with Town Planner Neville who was very instrumental in putting this together. He asked for questions. He added that the report is basically the same with some minor editorial corrections.

Town Planner Neville addressed a couple of points from the report. He stated that two years ago the town was presented with two opportunities. He stated that one was Sunset Bay Utilities offered to extend their private wastewater treatment service to users in the Main Street Corridor. He feels that Council allowing the private investment was a great chance to test out whether a public utility system was appropriate for the Town. The Committee was able to collect a lot of information about the costs. The use of the private investment was a good starting point. The second opportunity was the Atlantic Town Center folks asked if the Town would like to participate in a Wastewater Treatment Plan in Accomack County. He stated that the conclusion

and recommendation from the Committee is that a regional plan is bigger than we can handle. He stated that the Plan is intended to reflect the Town's view on these suggestions. Town Planner Neville advised of the Committee's suggested solutions. 1). Voluntary connections. 2). Phase I could be identified to serve the commercial use corridors, which is where the larger use customers are supporting the Town's economy the most. He stated that the Committee's approach is to take several small steps. He added that the basic proposal is to try to repeat the solution of Sunset Bay Utilities but do this on the Maddox Boulevard corridor.

Councilman Howard commented that this is an excellent report. He read excerpts from the report and stated that it is a sensible approach. He commended the Committee for completing this in a fair way for the business community.

Mayor Tarr thanked Chairman Papadopoulos, Mr. Conklin, Mr. Chesson, Mr. Tolbert and Mr. Clark for serving on this Committee. He suggested a public hearing/open house in September for the public to comment on this prior to Council doing anything further. He asked that the Committee be present during this comment period.

Chairman Papadopoulos stated that the Committee members are willing to continue the planning process as long as Council is prepared to move forward. He also suggested that this may be an opportunity to advertise for a few more members.

Mayor Tarr understands that the Committee doesn't want to feel like the Town has wasted their time. He stated that as an elected official, he feels there should be a public hearing prior to adopting the Plan. He expressed his concern with the 7 points listed in the adoption. He feels there should be further information.

Chairman Papadopoulos stated that this indicates that the Town is taking steps to address this issue.

Mayor Tarr again suggested a public hearing in September.

Supervisor Thornton stated that once the Plan is adopted it is there forever and is referred to. She stated that adopting the Plan is more of an issue than realized. She reminded Council that as an elected official they have to worry about the ramifications down the road if they adopt this Plan. She feels it should be known inside out. She also feels that the issue for the public is going to be funding. She added that this is a "public" issue not a "private" issue. Supervisor Thornton stated that these are things that can be addressed at a public hearing.

Councilman Howard feels this is very fair and can't say enough about the Committee and the hard work they've put into the Plan.

Chairman Papadopoulos asked about the distribution of the report.

Town Manager Ritter advised it is in the packet and is published on the Town's website.

Mayor Tarr stated that the report gives Council all the options and a starting point.

Town Planner Neville agreed that if this is to be adopted as an official document of the Town, it should go through the public hearing process.

Mayor Tarr requested they defer the vote. He directed staff to put the document on the website requesting comments.

There was discussion regarding the public hearing.

#### **5. Mayor & Council Announcements or Comments**

Councilman Taylor commented how bad the roads are going over to Assateague. He asked if FEMA refunded the cleanup money.

Town Manager Ritter received a memo that the money was wired last week. He will verify.

Councilman Taylor suggested not applying for another grant requiring matching funds unless it is approved in the budget.

Town Manager Ritter reminded Council that Mrs. Edwards with the ANPDC has applied for the Map 21 grant to finish the downtown revitalization project. He added that it looks like the Town will be receiving this grant. He advised that Council already voted to allow Mrs. Edwards to go forward to apply for that grant.

Councilman Taylor stated that this needs to be included in the budget knowing its coming up.

Mayor Tarr commented on the financial process regarding transfers to and from the savings account.

There was further discussion.

Supervisor Thornton suggested only allowing transfers from savings by vote of Council.

Councilman Howard thanked Public Works for filling the potholes along Main Street.

#### **Adjourn.**

Councilman Howard motioned, seconded by Councilwoman Richardson to adjourn. Motion carried.

Ayes: Leonard, Taylor, Muth, Howard, Richardson

Nays: None

Absent: Jester

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Mayor

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Town Manager