



Town Council Regular Meeting

July 16, 2026 at 6:00 PM

Cape Charles Civic Center - 500 Tazewell Avenue

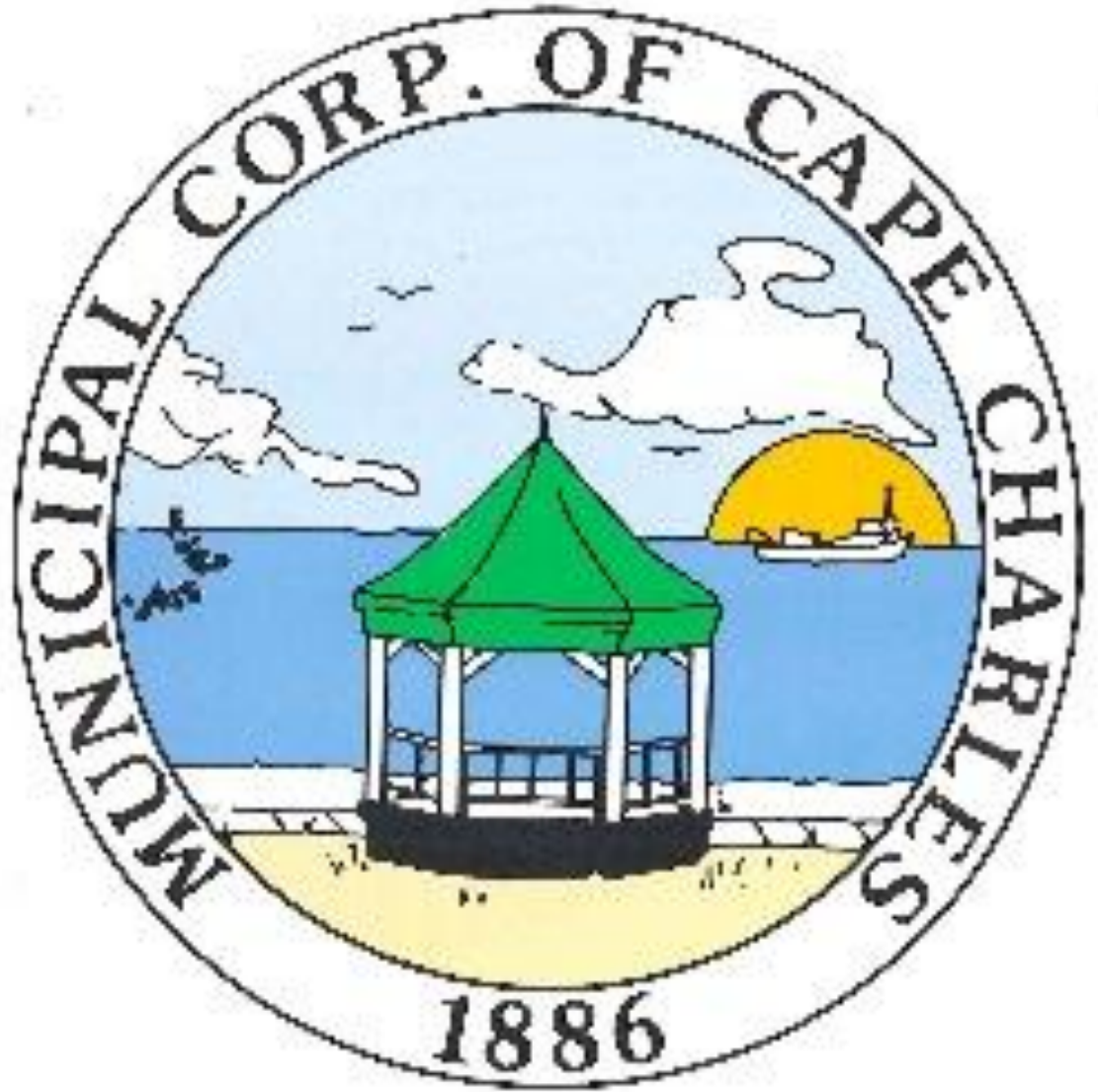
Agenda

- 1. Call to Order**
 - A. Roll Call
 - B. Establish Quorum
- 2. Moment of Silence and Pledge of Allegiance**
- 3. Public Comments (3 minutes per speaker)**
- 4. Recognition of Visitors / Presentations / Recognitions**
 - A. Live Demonstration of New Business License Software - Lexi Ruesch of Civic Review
 - B. Mid-Year Short-Term Rental Update - Inspector Casey Quilter
 - C. Coast Guard Appreciation Proclamation
- 5. Consent Agenda**
 - A. Approval of Agenda Format
 - B. Approval of Minutes
 - C. Approval of Financial Reports
- 6. Unfinished Business:**
- 7. New Business:**
 - A. Municipal Building Construction Phase Services
 - B. Town Harbor Engineering Services
 - C. Changing the Day of Future Town Council Meetings
- 8. Town Manager Comments**
- 9. Mayor & Council Comments (5 minutes per speaker)**
- 10. Announcements**
 - A. July 18, 2026 - Concert in Central Park - Roberta Lea, 7:00 PM
 - B. July 25, 2026 - Concert in Central Park - Good Shot Judy
 - C. August 1, 2026 - Concert in Central Park - Salsa Night with Kadencia
 - D. August 5, 2026 - Town Council Work Session, 6:00 PM
 - E. August 8, 2026 - Concert in Central Park - Full Moon Fever
 - F. August 15, 2026 - Concert in Central Park - Brasswind
 - G. August 19, 2026 - Town Council Public Hearing & Regular Meeting

11. Adjournment

Cape Charles STR Compliance Update

July 2026



Purpose

1. To re-introduce the Short-Term Rental (STR) webpage at CapeCharles.org
2. To re-introduce the STR Public Portal, STR Customer Portal, Inspection Portal and Rentalscape since it has been populated with Town information
3. To share new data with the Town on STR's

Fraudulent Email Scam Targeting Residents and Planning & Zoning Customers



Search



[Our Community](#) [Government](#) [Residents](#) [Visitors](#) [Business](#)

Planning & Zoning

[Annexation Agreement](#)

[Applications and Forms](#)

[Boards and Commissions](#)

[Cape Charles Community Multi-Use Trail Project](#)

[Chesapeake Bay Preservation Act](#)

[Comprehensive Plan](#)

[Flood Insurance Rate Maps](#)

[Online Planning Files](#)

[+ Railroad & Harbor Area Master Planning](#)

[Resilience Adaptation Feasibility Tool \(RAFT\)](#)

[Sanborn Maps](#)

[Short-Term Rentals - Vacation Rentals](#)

[Tree Policies and Regulations](#)

[Zoning Ordinance](#)

Short Term Rentals - Vacation Rentals

To see all **2026 Certified Short Term Rental (STR) businesses currently operating in the Town of Cape Charles**, please visit the **Public Portal map** using the link below.

Please go to the Cape Charles STR Public Portal here:

[STR Public Portal Map](#)

The Public Portal also provides useful links for reporting STR compliance issues.

To apply for a **Short Term Rental (STR) Certificate**, which includes your **2026 Business License** and **Certificate of Occupancy**, follow the link below to our **Customer Portal**. The Customer Portal is where all STR applications are processed and paid. It is also where all Quarterly **Transient Occupancy Taxes (TOT)** are reported and paid. All applicants can enter the portal with their email address of record or use the "[Create Account](#)" and "[Apply for new STR Certificate](#)" buttons to get started.

Please go to the Cape Charles STR Customer Portal here:

[STR Customer Portal](#)

Once you apply and pay for your annual STR Certificate online **you will be contacted** by the Town of Cape Charles 1) Finance Department, 2.) Building Department, and 3.) Zoning Department.

- The **Finance Department** will check to make sure the property owner's name matches the deed, property taxes have been paid to the town, and nothing is owed to the Town from the previous year in terms of fees for trash cans, etc. and all TOT has been reported and remitted.
- The **Building Department** will schedule and conduct your physical STR inspection to make sure your rental meets all occupancy and safety requirements for lodgers and the applicable building codes.
- The **Zoning Department** will review your STR's existing files to verify that the appropriate site plans, bedroom floor plans, parking plan, and photos of existing site conditions are on file and your STR meets any new STR ordinances passed by Town Council.
- Finally, **the Planning Director & Zoning Administrator will issue your new STR Certificate in the form of a PDF by email.**

All applications will be reviewed in the order in which they were received. If you have questions please email inspector@capecharles.org or call (757) 331-3259, ext. 42.

Note:

- **Please ensure you have gathered the information listed below before you start your application process. You will not be able to save your progress if you are missing any information and will have to restart the registration process again. We accept Visa/Mastercraft payments (a 2.9% + \$0.30 transaction service fee will be added) -or- you may use an e-Check (\$2.50. transaction fee). To make an e-Check payment you need to have your bank's routing number and your account number.**

Information needed to complete this application:

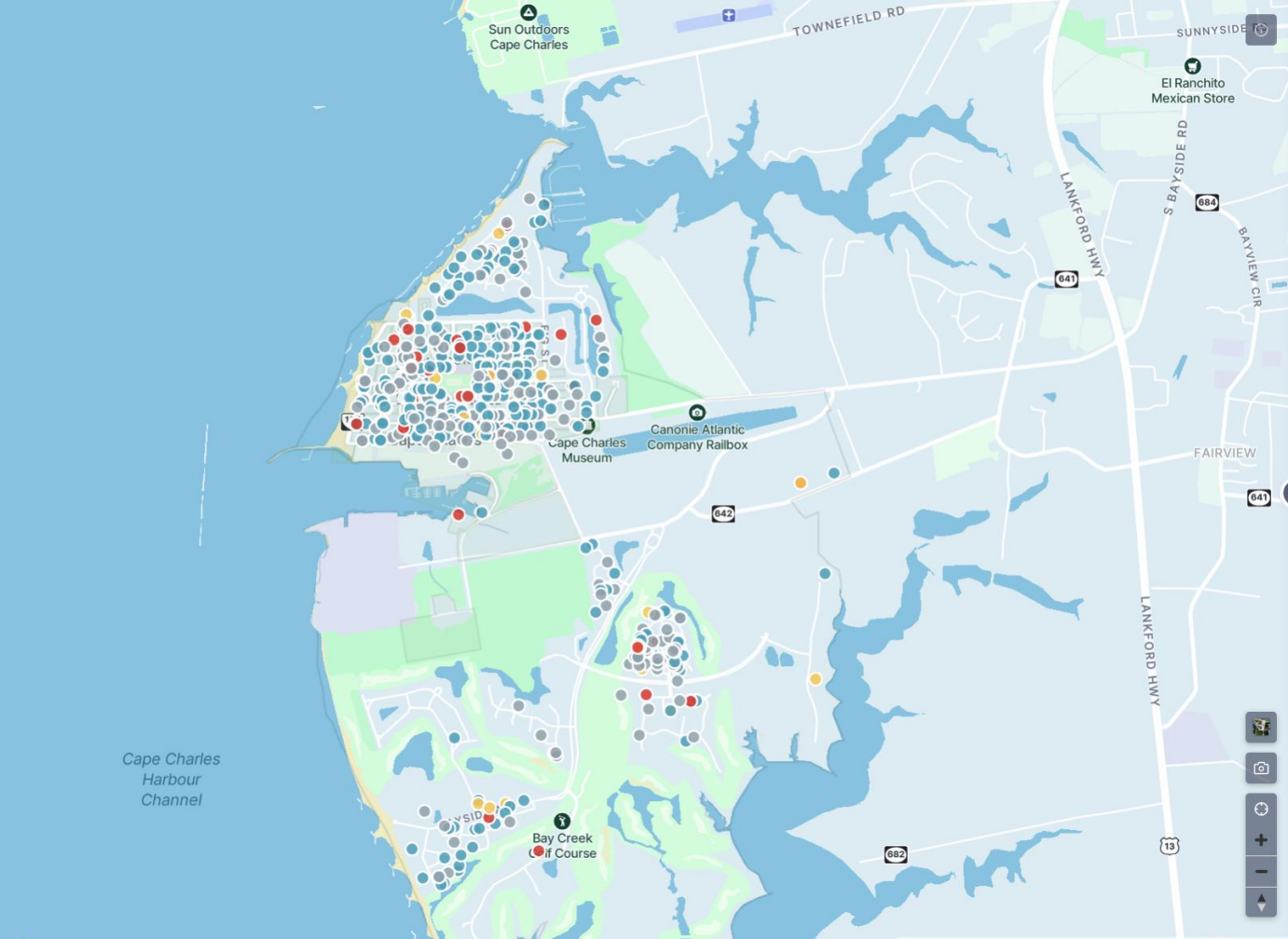
- 1.) Property Owner- Name, mailing address, phone number, email address
- 2.) Property Manager (If applicable)- Name, mailing address, phone number, email address (Property managers must hold a separate Town BPOL)
- 3.) 24/7 Local Contact- Name, mailing address, phone number, email address
- 4.) Number of Bedrooms

Contact Information

Address

Planning & Zoning Department
412 Tazewell Avenue
Cape Charles, VA 23310

Rentalscape



Map of Cape Charles, Virginia, showing property locations. The map includes labels for Sun Outdoors Cape Charles, El Ranchito Mexican Store, Cape Charles Museum, Canolie Atlantic Company Railbox, Bay Creek Golf Course, and Cape Charles Harbour Channel. Roads shown include Townefield Rd, Sunnyside, S Bayside Rd, Lanford Hwy, and Bayview Cir. A sidebar on the left contains navigation icons.

398 identified properties (999 Listings)

Filters Sort by



501 Arnies Loop Cape Charles VA 23310
 STR - Licensed
 Renewal Status - Approved
 Possible Violations (1)



110 Sunset Blvd Cape Charles VA 23310
 STR - Licensed
 Renewal Status -



137 Sunset Blvd Cape Charles VA 23310
 STR - Licensed
 Renewal Status -



108 Monroe Ave Cape Charles VA 23310
 STR - Licensed
 Renewal Status -



Property 5



Property 6

< 1 2 3 ... 62 >

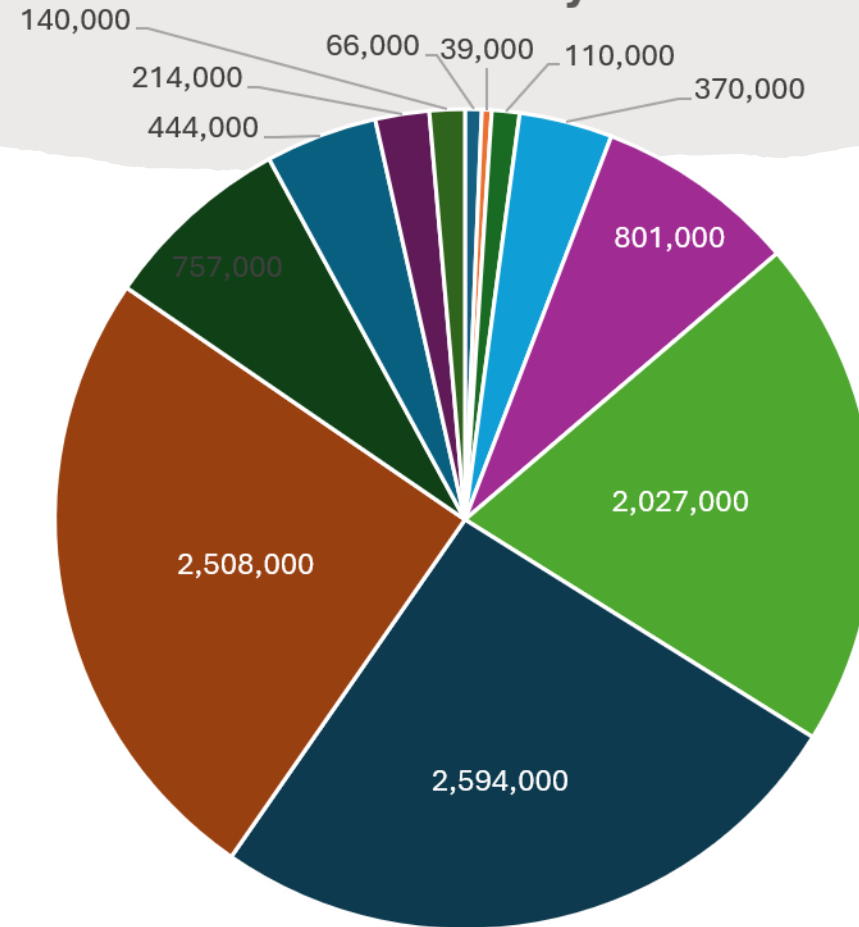
2026 STR Data

- 2025 STR Revenue Tracking
- 330 applications
- 305 certifications
- 4 Accessory Dwelling Units (ADU)
- 1/3 of all inspections Fail
 - Safety Corrections
 - Occupancy Corrections
- 18 BOSTR Permits
- 24% of all STR's are locally owned
- Compliance
 - Complaints
 - 39 STR's investigated
 - Violations
 - TOT reporting
- 2027 Changes
 - #1 – Turn Around Time

2025 STR Revenue Tracking

		TRANSIENT OCCUPANCY TAX																		
Street Address	House #	Oct-25						Nov-25						Dec-25						
		Dated Filed (by 20th of subsequent month)	Gross Receipts	Lodging Tax Due (4% of Gross Receipts)	# of Nights	Per Night Fee (\$4 per night)	Paid by?	Dated Filed (by 20th of subsequent month)	Gross Receipts	Lodging Tax Due (4% of Gross Receipts)	# of Nights	Per Night Fee (\$4 per night)	Paid by?	Dated Filed (by 20th of subsequent month)	Gross Receipts	Lodging Tax Due (4% of Gross Receipts)	# of Nights	Per Night Fee (\$4 per night)	Paid by?	Total Annual STR Gross Receipts
Arnie's Loop	314	5	4225	\$ 169.00	3	\$ 12.00	Other	2	775	\$ 31.00	1	\$ 4.00	Other	5	0	\$ -	0	\$ -	Other	\$ 30,654.00
Arnie's Loop	501	30	2050.11	\$ 82.00	4	\$ 16.00	Airbnb			\$ -		\$ -				\$ -		\$ -		\$ 52,544.68
Bahama Road	3	20	1429.03	\$ 57.16	3	\$ 12.00	VRBO	15	0	\$ -	0	\$ -	Other	15	0	\$ -	0	\$ -	Other	\$ 35,113.12
Bahama Road	5	3	0	\$ -	0	\$ -	Other	16	0	\$ -	0	\$ -	Other			\$ -		\$ -		\$ 16,395.00
Bay Avenue	4			\$ -		\$ -				\$ -		\$ -				\$ -		\$ -		\$ -
Bay Avenue	14	14	0	\$ -	0	\$ -	Other	2	0	\$ -	0	\$ -	Other	6	0	\$ -	0	\$ -	Other	\$ 40,969.54
Bay Avenue	106	20	2541.8	\$ 101.67	5	\$ 20.00	Other			\$ -		\$ -				\$ -		\$ -		\$ 35,449.51
Bay Avenue	204			\$ -		\$ -				\$ -		\$ -				\$ -		\$ -		\$ -
Bay Avenue	212	16	7085	\$ 283.40	8	\$ 32.00	VRBO	9	5265	\$ 210.60	7	\$ 28.00	Airbnb	12	6285	\$ 251.40	8	\$ 32.00	VRBO	\$ 110,226.50
Bay Avenue	408	20	4051.98	\$ 162.08	5	\$ 20.00	Other			\$ -		\$ -				\$ -		\$ -		\$ 31,550.08
Bayshore Road	1011	19	3350	\$ 134.00	12	\$ 48.00	Other			\$ -		\$ -		20	1450	\$ 58.00	5	\$ 20.00	Other	\$ 45,570.00
Bayside Avenue	303	5	0	\$ -	0	\$ -	Other	2	0	\$ -	0	\$ -	Other	5	0	\$ -	0	\$ -	Other	\$ 19,241.00
Bayside Avenue	313	5	0	\$ -	0	\$ -	Other	2	0	\$ -	0	\$ -	Other	5	0	\$ -	0	\$ -	Other	\$ 8,150.00
Bayside Avenue	505	5	0	\$ -	0	\$ -	Other	2	413	\$ 16.52	1	\$ 4.00	Other	5	0	\$ -	0	\$ -	Other	\$ 20,141.00
Bayside Avenue	509	20	0	\$ -	0	\$ -	Other			\$ -		\$ -				\$ -		\$ -		\$ 5,517.06
Bayside Avenue	511	20	947.98	\$ 37.92	5	\$ 20.00	Airbnb			\$ -		\$ -				\$ -		\$ -		\$ 14,119.25
Brass Ring Circle	509	5	0	\$ -	0	\$ -	Other	2	0	\$ -	0	\$ -	Other	5	0	\$ -	0	\$ -	Other	\$ 25,698.00
Bridgeton Drive	34			\$ -		\$ -		30	0	\$ -	0	\$ -	Other	9	0	\$ -	0	\$ -	Other	\$ 7,986.20
Captain Orris Browne	310			\$ -		\$ -				\$ -		\$ -				\$ -		\$ -		\$ 1,519.59
Captain Orris Browne	404	1	1740	\$ 69.60	4	\$ 16.00		30	0	\$ -	0	\$ -	Other	8	0	\$ -	0	\$ -	Other	\$ 45,954.84
Captain Orris Browne	410	5	2563	\$ 102.52	4	\$ 16.00	Other	2	0	\$ -	0	\$ -	Other	5	0	\$ -	0	\$ -	Other	\$ 21,914.30
Carissa Ct.	12			\$ -		\$ -				\$ -		\$ -				\$ -		\$ -		\$ 1,199.83
Carousel Place	602	20	0	\$ -	0	\$ -	Other			\$ -		\$ -				\$ -		\$ -		\$ 42,963.22
Carousel Place	614			\$ -		\$ -				\$ -		\$ -				\$ -		\$ -		\$ -

2025 STR Gross Revenue by Month



■ Jan ■ Feb ■ Mar ■ April ■ May ■ June ■ July ■ Aug ■ Sept ■ Oct ■ Nov ■ Dec

Total Annual STR Gross Receipts	Total Lodging Tax Due (4% of Gross Receipts)	Total Nights	Total Per Night Fees Due (\$4 per night)	Total All Taxes Due (Paid by Owner and/or 3rd Party)
\$ 10,155,155.19	\$ 435,565.13	21,671.00	\$ 86,469.48	\$ 543,705.61



SHORT TERM RENTAL CERTIFICATE

STR Certificate Number

STR-26-01725

STR Certificate Holder Name

Maurice Blackburn

Property Address

115 MASON AVE CAPE CHARLES VA 23310

Issue Date

2026-05-21

Expiration Date

2026-12-31

24/7 Local Contact

Chip Howard

8043056986

Maximum Occupancy

5

Parking Spaces

1

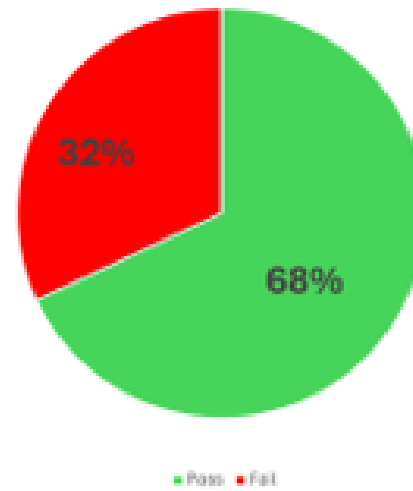
of Trash Cans

1



Please post where easily viewed
STR Certificate is not transferable.

STR Inspection Pass Rate %



2:25 PM Thu Feb 5

inspections.deckard.com

Customer PortalRentalscapeShort-Term Rental ...Inspection Portal

Town of Cape Charles Inspection Portalinspector@capecharles.orgLogout

STVR Health & Safety Inspection

240 MONROE AVE CAPE CHARLES VA 23310

Exterior Elements

Interior Elements

Exterior Doors Working Condition

The exterior doors are in proper working condition and can be unlocked from the inside without a key or special knowledge.

2 image, 10 MB max

PassNeeds Correction

Windows Operable No Damage

Windows are operable without force and free of peeling, chipping or flaking paint.

2 image, 10 MB max

PassNeeds Correction

Stairways and Surfaces Safe

All stairways, ramps, landings and other walking surfaces are maintained in safe working condition.

2 image, 10 MB max

PassNeeds Correction

Handrails and Guardrails Support Loads

All handrails and guardrails are capable of supporting normally imposed loads.

2 image, 10 MB max

PassNeeds Correction

Bedrooms Egress to Hall

All bedrooms egress directly to a hall without going through another bedroom.

2 image, 10 MB max

PassNeeds Correction

Bedrooms Emergency Egress

There is egress from every bedroom free from obstructions in case of emergency (Windows must be 5 sq ft on 1st floor and 5.7 sq ft on other floors with a sill no higher than 44").

2 image, 10 MB max

PassNeeds Correction

Bedrooms Minimum Size

Inspection Detail

Property 216 MONROE AVE CAPE CHARLES VA 23310
Result Fail
Inspection Date 2026-01-30 08:36

Exterior Elements

Address Numbers Visibility

Pass

The address numbers are posted and visible from the street using a minimum of 4" tall numbers on a contrasting background.

Exterior Condition

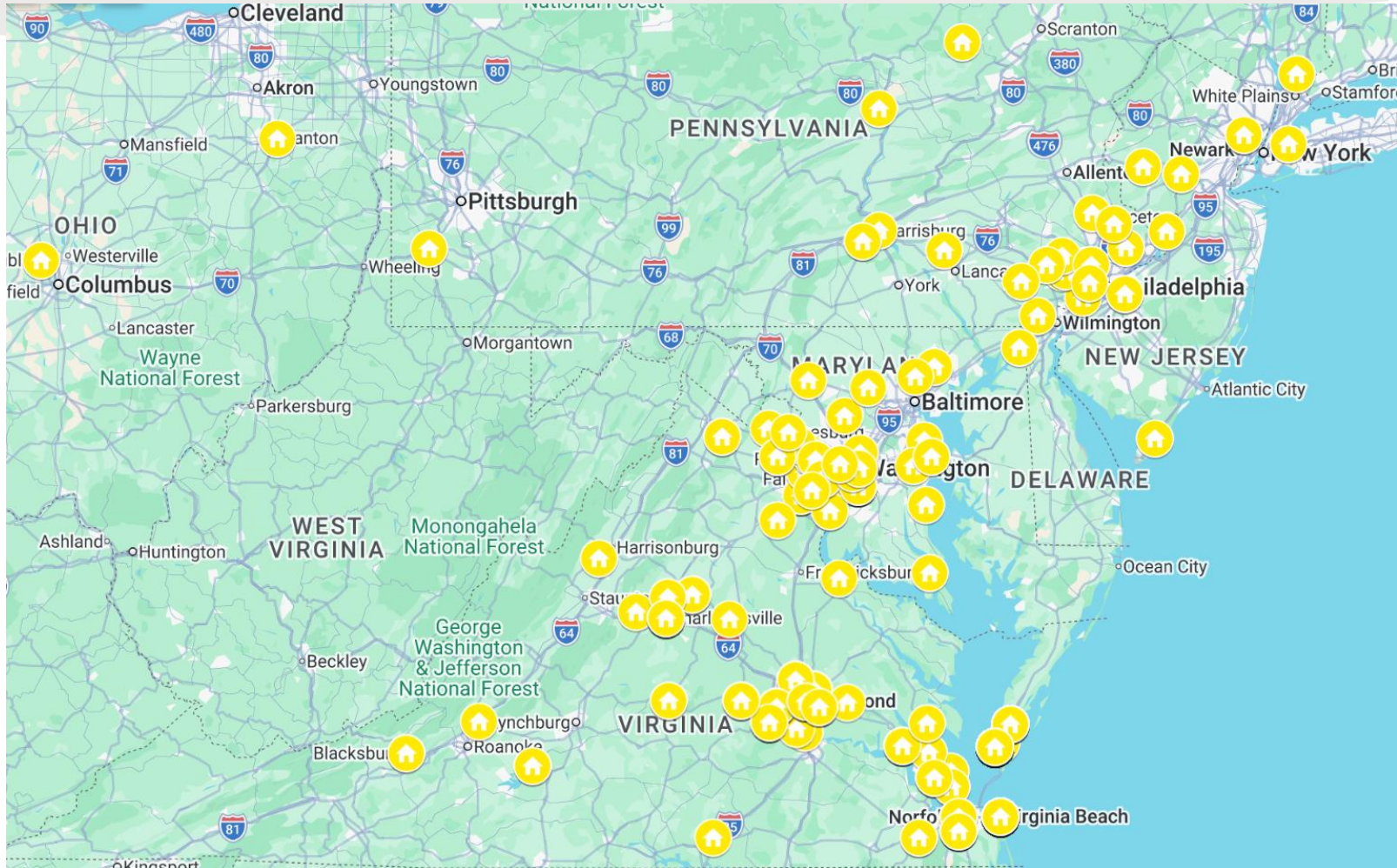
Pass

The exterior of the rental is in good repair and structurally sound/safe.



Section 4, Item B.







TOWN OF CAPE CHARLES, VA

TOT REPORTING OVERDUE

This is a courtesy reminder to file and make full payment for the Jan-Mar 2026 period. The due date is 20 April 2026.

Penalties and interest will continue to accrue until payment is received (if applicable).

The Jan-Mar 2026 period reporting is **7 days overdue**

[Click here to pay now](#)

TOWN OF CAPE CHARLES
PROCLAMATION 20260716
COAST GUARD APPRECIATION DAY – AUGUST 1, 2026

WHEREAS, Coast Guard Station Cape Charles provides service to The Nation and our region by being always ready - “Semper Paratus” - to perform their mission; and

WHEREAS, Coast Guard Station Cape Charles embodies the U.S. Coast Guard core values of Honor, Respect and Devotion to Duty; and

WHEREAS, Coast Guard Station Cape Charles is committed to excellence by supporting and executing operations in a proficient and professional manner; and

WHEREAS, Coast Guard Station Cape Charles leads by example, facing challenges each day to protect and serve the maritime community to ensure the safety and security of the people on our waterways; and

WHEREAS, Coast Guard Station Cape Charles conducted 181 Law Enforcement Boardings and 97 Search and Rescue missions over the past year, most notably simultaneous responses to aid a sailboat taking on water and a tanker dragging anchor and drifting towards the Chesapeake Bay Bridge Tunnel; and

WHEREAS, the U.S. Coast Guard was founded 236 years ago on August 4, 1790; now

THEREFORE, BE IT PROCLAIMED, that the Town Council of the Town of Cape Charles, Virginia, hereby recognizes August 1, 2026 as Coast Guard Appreciation Day and calls this observance to the attention of all our citizens.

Mayor Adam Charney

ATTEST: _____
Clerk of the Council



DRAFT
TOWN COUNCIL
Public Hearing & Special Meeting
 Cape Charles Civic Center, 500 Tazewell Avenue
 June 4, 2026, 6:00 p.m.

CALL TO ORDER

Vice Mayor Buchholz called the Town Council Public Hearing and Special Meeting to order at 6:00 p.m.

ROLL CALL

Council members in attendance: Vice Mayor Buchholz, Councilmen Butta, Grossman and Newman, and Councilwomen Ashworth and Holloway. A quorum was established. Mayor Charney was not in attendance.

Staff in attendance: Town Manager Rick Keuroglian, Treasurer Marion Sofield, Assistant Treasurer Adrian Oei, Business License Specialist Katie Lewis, Town Clerk Libby Hume.

Others in attendance: Northampton County Administrator Matt Spuck.

There were seven (7) members of the public in attendance.

MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Council observed a Moment of Silence followed by the Pledge of Allegiance.

PUBLIC HEARING

A. FY 2027 Proposed Budget & Fees

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

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

The public hearing portion of the meeting closed at 6:01 p.m.

RECOGNITION OF VISITORS / PRESENTATIONS / RECOGNITIONS

A. Northampton County Town Edge Ordinance Revision

Northampton County Administrator Matt Spuck provided a presentation regarding the County's proposed Town Edge Ordinance amendments and its relationship to affordable housing needs throughout Northampton County. Mr. Spuck reviewed demographic and housing data for Northampton County, noting that the County had approximately 12,000 residents, 5,440 housing units, and a median household income of approximately \$61,000. He explained that housing affordability continued to be a significant challenge, particularly for households earning below the County median income. Mr. Spuck discussed the County's housing inventory and identified what he described as a mismatch of middle and lower priced housing. While housing stock existed in higher price ranges, there was an insufficient supply of housing affordable to residents earning moderate and lower incomes. He explained that many residents who might otherwise purchase homes in moderate price ranges are instead competing for lower-cost housing due to limited inventory, creating additional pressure throughout the housing market. Mr. Spuck also discussed rental housing availability, noting that Northampton County currently had an extremely limited rental inventory. Based upon available market data, the County's available rental inventory remained well below what would be considered a healthy rental market. He explained that limited rental availability contributed to overall housing affordability challenges.

Council members discussed construction costs and housing affordability trends. Mr. Spuck presented data showing that construction costs had increased significantly faster than median

household incomes, making it increasingly difficult to develop housing that is affordable residents.

Vice Mayor Buchholz commented that historical zoning decisions and density limitations had likely contributed to current housing shortages by limiting opportunities for residential development.

Mr. Spuck then reviewed County land use patterns. He explained that approximately 84% of Northampton County consisted of agricultural and conservation lands, while residential areas and incorporated towns accounted for a comparatively small percentage of the County's land area. He noted that existing Town Edge zoning represented approximately 1.3% of the County's land area. Mr. Spuck reviewed the history of the Town Edge zoning district, explaining that Town Edge zoning was originally established in 2016 and later incorporated into the County's Comprehensive Plan as a strategy for directing future growth toward areas adjacent to towns while preserving agricultural and conservation lands. He emphasized that the proposed ordinance would not automatically authorize development. Instead, it would establish a new Town Edge Residential (TE-R) zoning district that could only be utilized through an individual rezoning process before any development could occur.

Council members discussed density allowances and infrastructure requirements associated with the proposed district. Mr. Spuck explained that the proposed ordinance would permit higher-density residential development than currently allowed under TE-1 zoning but would still require compliance with setback standards, open-space requirements, utility availability, engineering review, and all applicable state and local regulations.

Town Manager Rick Keuroglan inquired about proposed lot sizes and utility requirements under the new ordinance. Mr. Spuck explained that smaller lot sizes would only be permitted where public water and sewer services were available and that substantial review would still be required before any development could proceed. Mr. Spuck outlined the extensive review process required for any future rezoning application, including pre-application review, agency review, public hearings, engineering approvals, and construction inspections.

Council discussed potential impacts on schools, utilities, emergency services, traffic, and infrastructure. Mr. Spuck advised that County staff had evaluated these concerns and determined that current school capacity, emergency services, and groundwater resources could accommodate anticipated growth levels, subject to individual project reviews.

Councilman Grossman noted that the County Comprehensive Plan had long contemplated increased residential densities near towns and stated that the proposed ordinance was consistent with those previously adopted planning objectives.

Councilwoman Holloway inquired about the County's next steps. Mr. Spuck reported that the Northampton County Planning Commission would hold a public hearing on the proposed ordinance on June 16, 2026. The Board of Supervisors would hold a Town Hall meeting on this subject on August 5, 2026 to hear from the public and hoped to alleviate some of their fears.

Councilman Butta asked whether a resolution of support from the Town Council would be beneficial. Mr. Spuck responded that a formal resolution would be welcomed if Council chose to provide one.

Councilman Newman questioned whether the ordinance alone would be sufficient to address the County's housing shortage given continuing construction cost challenges. Mr. Spuck acknowledged that affordable housing remained a complex issue but stated that the ordinance represented an important step toward creating additional housing opportunities.

Council thanked Mr. Spuck for his presentation.

TOWN MANAGER COMMENTS

Town Manager Rick Keuroglan commented as follows: i) Staff was working hard on short-term rental permits, certificates, etc. In the last few days, he pushed through over 100 certificates; ii) Staff met with the Department of Environmental Quality (DEQ) and they provided templates for us to work through and would be providing staff training; iii) The Finance Department staff went out to visit our business community to thank them. Treasurer Marion Sofield added that they presented inexpensive but genuine gifts to each business; iv) He had calls scheduled with several organizations related to the affordable housing development agreement. He sent the information to legal counsel; v) We received a couple of resumes for the Planning & Zoning position. We also contacted two recruiting firms to assist if we were unsuccessful with the in-house recruiting efforts. One of the firms agreed that if they did the recruitment and the individual chosen did not work out, they would do a second recruitment at no additional cost; vi) Councilman Butta noted that kayaks and other equipment were being taken into the Betis building and asked if that would interfere with the renovations for the Town’s public restrooms which would be in the same building. Rick Keuroglan stated that the equipment was probably being stored in the back of the building but would check on it to make sure; vii) He confirmed that the bored electrical conduit line along Mason Avenue did impact three different service lines. Virginia American Water (VAW) confirmed it. We were working with the owners of the affected properties and were working to cover the cost of repairs. The contractor and VAW would work it out; viii) The “L” of the LOVE sign was being repaired again. He was told that the Temperature inside the “L” must have reached over 300 degrees and melted the auto Bondo glue that was used.

MAYOR & COUNCIL COMMENTS

Councilwoman Holloway asked when Council would be able to discuss the revised Building/Planning & Zoning Fee Schedule as she had a couple of questions. Rick Keuroglan stated that it could be discussed at the June 18, 2026 Town Council Regular Meeting.

There were no other Council comments offered.

ANNOUNCEMENTS

- June 18, 2026 – Town Council Regular Meeting
- June 19, 2026 – Town Offices Closed for Juneteenth Holiday
- June 19, 2026 – First concert in the Summer Concert Series in Central Park
- June 19–21, 2026 – SailFest 250
- July 2, 2026 –Town Council Work Session – tentative
- July 3, 2026 – Town Offices Closed for Independence Day Holiday
- July 16, 2026 – Town Council Regular Meeting

ADJOURNMENT

Motion made by Councilman Grossman, seconded by Councilwoman Ashworth, to adjourn the Town Council Public Hearing & Special Meeting. The motion was approved by unanimous vote.

The meeting adjourned at 6:39 p.m.

Andy Buchholz, Vice Mayor

Libby Hume, Town Clerk

FY 2027 Proposed Budget Summary

TOWN OF CAPE CHARLES FISCAL YEAR 2027 PROPOSED BUDGET SUMMARY		
General Fund		
Revenue		\$ 11,291,598.00
Expenditures		
	Legislative	\$ 46,616.00
	Clerk	\$ 105,224.00
	Town Manager	\$ 726,552.00
	Finance	\$ 527,834.00
	Human Resources	\$ 153,859.00
	Information Technology	\$ 353,210.00
	Police	\$ 940,060.00
	Code Enfocment	\$ 235,970.00
	Public Works	\$ 1,006,308.00
	Town Events & Recreation	\$ 103,800.00
	Library	\$ 265,333.00
	Planning & Zoning	\$ 395,458.00
	Transfers Out	\$ 6,431,374.00
	Total Expenditures	\$ 11,291,598.00
	Revenue Less Expenditures	\$ -
Capital Projects Fund		
Revenue		\$ 6,001,887.00
Expenditures		\$ 6,001,887.00
	Revenue Less Expenditures	\$ -
Debt Service Fund		
Revenue		\$ 30,122.00
Expenditures		\$ 30,122.00
	Revenue Less Expenditures	\$ -
Harbor Fund		
Revenue		\$ 1,099,370.00
Expenditures		\$ 1,099,370.00
	Revenue Less Expenditures	\$ -
Sanitation Fund		
Revenue		\$ 401,336.00
Expenditures		\$ 401,336.00
	Revenue Less Expenditures	\$ -

Town Edge Ordinance Amendments

Northampton County Briefing

Northampton by the Numbers – population and income

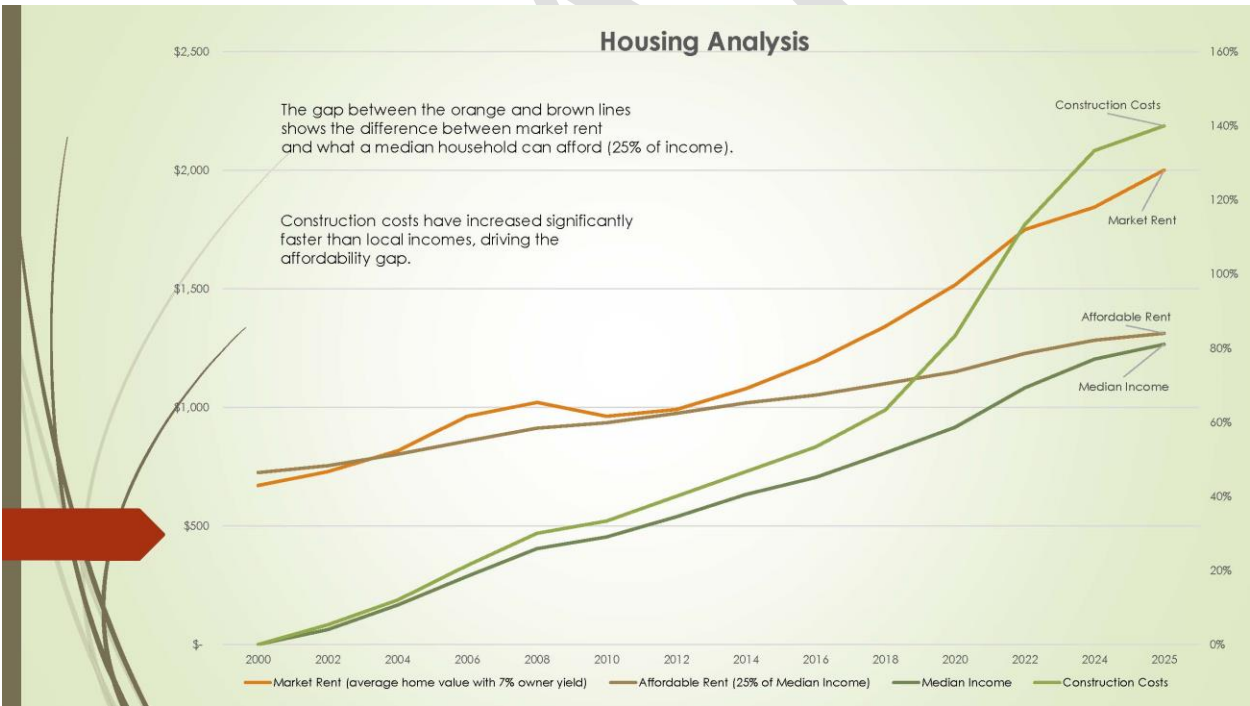
Population Study		
Category	Population	
Total Population	12,000	
Households	5,440	
Avg Household Size	2.2	
Children (0-17)	2,400	20%
Working Adults (employed)	5,200	43%
Unemployed (looking for work)	200	2%
Retired (65+)	2,800	23%
Disabled - working age	900	8%
Caregivers/Not in Labor Force	500	4%
Total	12,000	100%

Northampton County Household Income Distribution			
Key Inputs			
Total households	5,440		
Median household income (\$)	\$61,000		
Average household size	2.2		
Income Range	% of Households	# of Households	Est. Population
< \$30,000	20.0%	1,088	2,394
\$30,000–\$60,000	28.0%	1,523	3,351
\$60,000–\$90,000	22.0%	1,197	2,633
\$90,000–\$120,000	14.0%	762	1,676
\$120,000+	16.0%	870	1,946
Total	100.0%	5,440	12,000

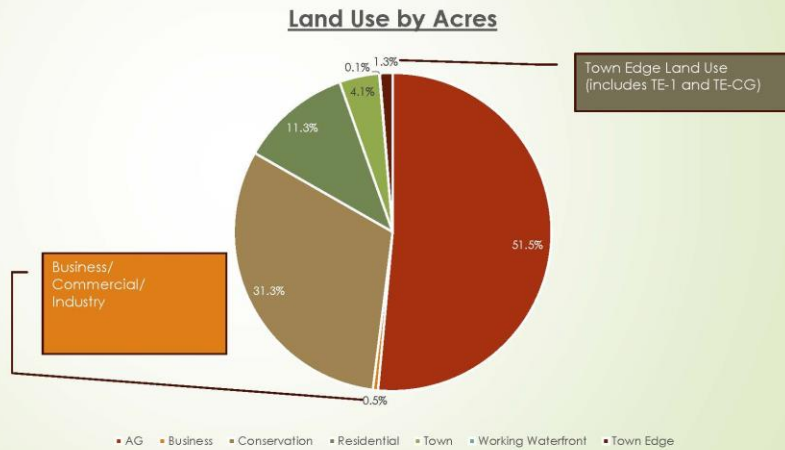
Northampton by the Numbers – housing inventory and need gap

Housing Inventory by Home Value				
Value Range	Census % (Est.)	Estimated Units (of 5,440)	Notes	
< \$100k	22%	1,196	Lower value / older stock	
\$100k–\$200k	28%	1,523	Entry-level / workforce	
\$200k–\$300k	18%	979	Core workforce target	
\$300k–\$500k	17%	924	Move-up housing	
\$500k+	15%	818	High-end / coastal	

Income Band	Est. Households	Affordable Price Range	Est. Units Available	Gap (Units Needed)	Notes
< \$30k	1400	< \$100k	1080	320	Lower income / subsidy supported
\$30k–\$60k	1620	\$100k–\$200k	1620	0	Lower workforce - shortage
\$60k–\$90k	1080	\$200k–\$300k	970	110	Core workforce - critical shortage
\$90k–\$120k	650	\$300k–\$400k	650	0	Near balanced
\$120k+	650	\$400k+	1080	-430	Surplus / coastal
	5400		5400		



Northampton by the Numbers – land use by acre



Town Edge is not new

- Town Edge District established April 12, 2016
- Approximately 1.3% of county land is zoned TE-1
- Areas adjacent to towns have long been identified in the Comprehensive Plan as potential locations for future growth
- Located near incorporated towns for public safety access
- Proximity to towns promotes supporting town businesses

What this ordinance does

- Creates an additional zoning district option
- Establishes development standards and permitted uses
- Retains existing rezoning process

What this ordinance does not do

- Rezone any property
- Allow for by-right PUD (Planned Unit Development)
 - A Planned Unit Development is typically a specific development proposal on a specific property. The ordinance before the County is not a development proposal. It does not approve any project or rezone any land. It creates a zoning option and development standards that could be considered in the future if a property owner applies.
 - Any actual development would still require a separate rezoning application, public hearings, and approval
- Provide approval for any project, density, infrastructure
- Eliminate any public hearing

How Does TE-1 Differ from TE-R?

The primary difference between the existing TE-1 district and the proposed TE-R district is density.

Current TE-1 District

- 1 dwelling unit per 5 acres
- Intended for low-density residential and agricultural uses

Existing TE-R District

- Up to 1 dwelling unit per 2 acres
- Up to 5 dwelling units per acre when served by municipal water and sewer

Proposed TE-R District

Conventional Development

- Minimum lot size of 15,000 square feet without central water and sewer
- Minimum lot size of 10,000 square feet with central water and sewer

Cluster Development

- Up to 4 dwelling units per acre
- Minimum lot size of 6,000 square feet
- At least 40% of the development preserved as open space

Multi-Family Housing

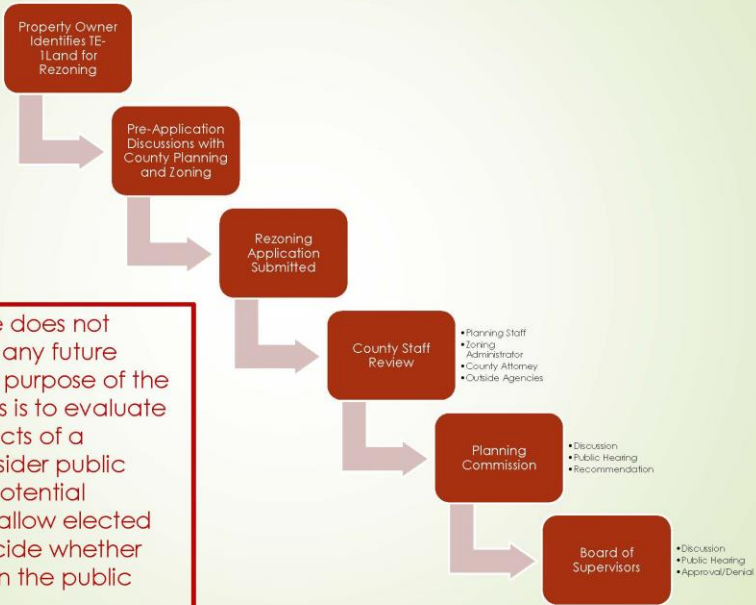
- Duplexes and townhouses permitted
- Apartments may be considered through a Special Use Permit process

Key Point

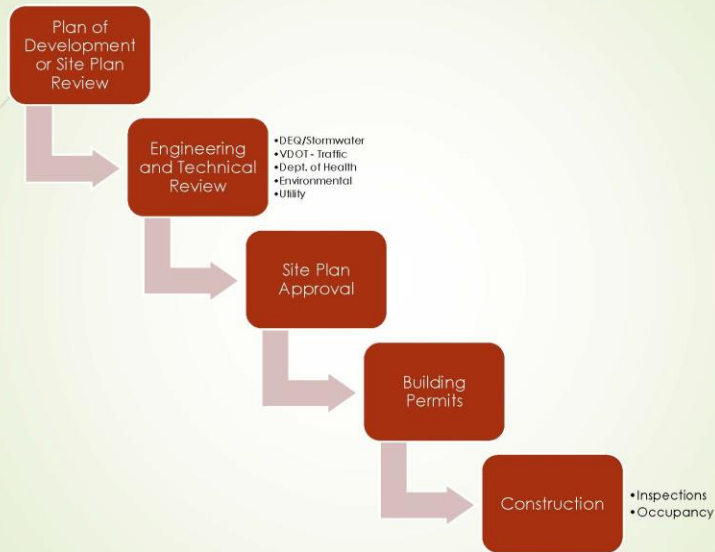
The proposed ordinance would allow greater residential density than TE-1. However, no property may utilize those standards unless it is first rezoned through the public hearing process.

Required TE-R Rezoning Process

The ordinance does not predetermine any future outcome. The purpose of the review process is to evaluate the specific facts of a proposal, consider public input, assess potential impacts, and allow elected officials to decide whether the project is in the public interest.



If Board Approves – Next Steps

Concerns and Solutions

- 🚗 Traffic impacts
 - VDOT studies and approves every application
- 💧 Water and sewer availability
 - The ESVA Groundwater Committee, the DEQ, and the Dept. of Health all are agencies that provide review and approval through the process
- 🚒 Emergency service capacity
 - The Sheriff and EMS are actively managed departments of the County and are staffed to provide appropriate services.
 - The County is actively pursuing opportunities to better support the volunteer fire departments.
- 🏫 School impacts
 - School impacts are evaluated as part of the public review process. Northampton County currently has available classroom capacity and receives state funding based in part on student enrollment.
- ☁️ Stormwater management
 - The Department of Environmental Quality governs, reviews, approves, and inspects stormwater plans.
- 🌳 Environmental impacts
 - The Planning office has multiple certified environmental inspectors, and they work closely with DEQ on projects impacting the RPA
- 👥 Public concerns and community input
 - Every rezoning application requires multiple public hearings

Town Authority and Community Services

Adoption of the Ordinance Does Not:

- ❌ Extend water lines
- ❌ Extend sewer lines
- ❌ Require towns to provide services
- ❌ Change municipal boundaries
- ❌ Annex property into a town
- ❌ Approve a development project
- ❌ Commit towns to future infrastructure costs

Future Development Proposals Require:

- 💧 Water availability review
- 🚰 Sewer availability review
- 🚚 Emergency service review (any infrastructure improvements including roads or utilities are paid for by the Developer, not the taxpayers)
- 🚗 Traffic analysis
- 🤝 Coordination between the County, Town, and reviewing agencies
- 🗣️ Public hearings and public input

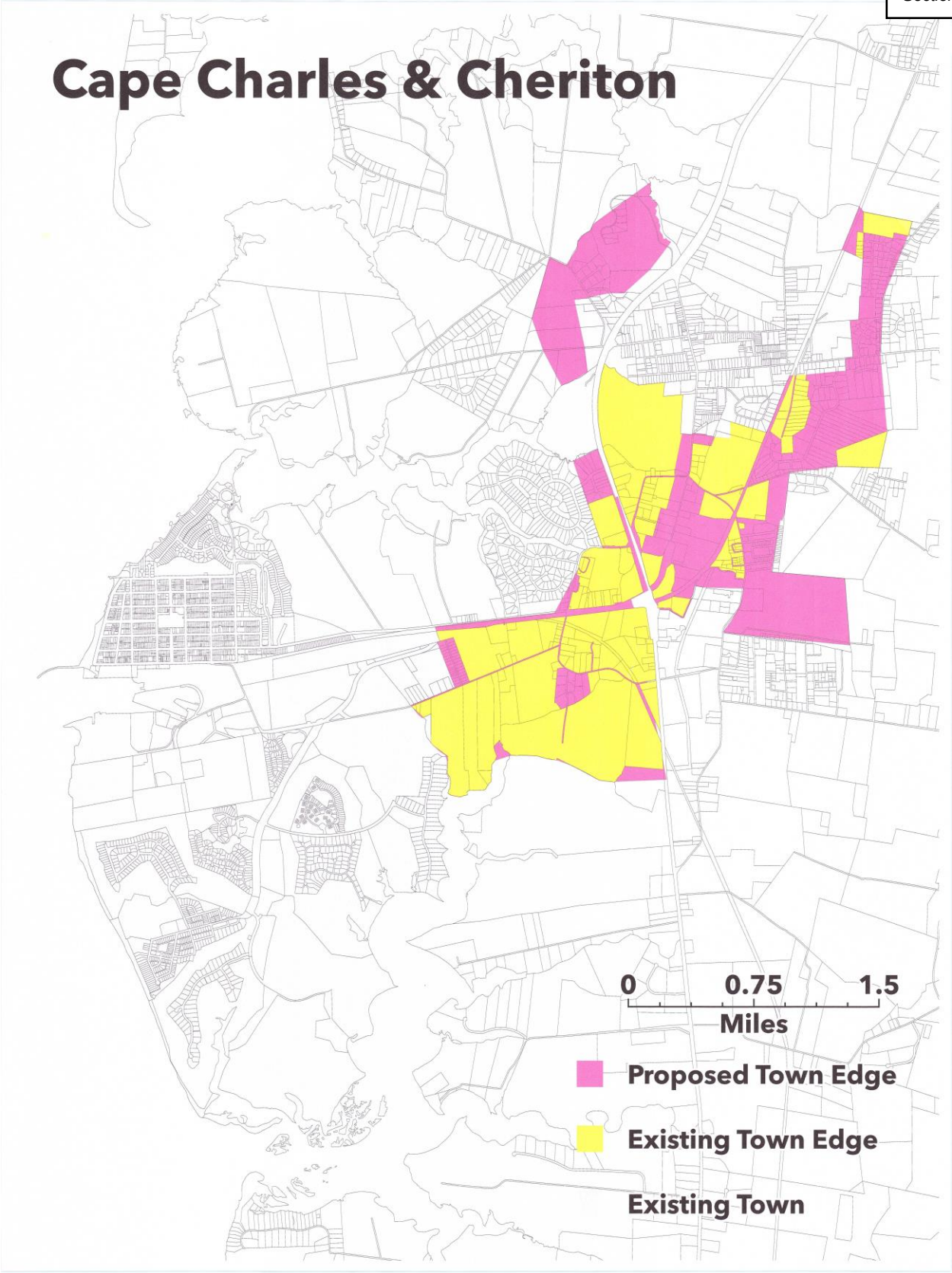
Key Takeaway

The ordinance creates a zoning option. Future development proposals would still require separate review of utilities, infrastructure, services, and community impacts before any project could proceed.

Northampton Briefing – Data Sources

Key Assumptions		
Total households	Working total used in this	
Median household income (\$)	5,400 model	https://datausa.io/profile/geo/northampton-county-va
Housing affordability ratio	61,000 Local planning anchor	https://datausa.io/profile/geo/northampton-county-va
	25% of gross income for housing only; utilities	
	25.0% excluded	User assumption
Inventory basis	Estimated from housing value distribution, not active listings	
	Illustrative value-band inventory	ACS Table B25075 structure / local narrative
Approximate total population	https://censusreporter.org/profiles/05000U51131-northampton-county-va/	
ACS-based estimate	https://datausa.io/profile/geo/northampton-county-va	
Derived from Census data	https://datausa.io/profile/geo/northampton-county-va	
Estimated from age distribution	https://censusreporter.org/profiles/05000U51131-northampton-county-va/	
Local workforce estimate	https://datausa.io/profile/geo/northampton-county-va	
Actively seeking work	https://datausa.io/profile/geo/northampton-county-va	
Age-based estimate	https://censusreporter.org/profiles/05000U51131-northampton-county-va/	
Estimated using SSA rates	https://www.ssa.gov/policy/docs/statcomps/ssl_sc/	
ACS household proxy	https://www.census.gov/programs-surveys/acs	

Cape Charles & Cheriton





DRAFT
TOWN COUNCIL
Executive Session
Cape Charles Civic Center, 500 Tazewell Avenue
 June 18, 2026, 5:00 PM

CALL TO ORDER

Mayor Charney called the Executive Session of the Cape Charles Town Council to order at 5:00 p.m.

ROLL CALL

Council members in attendance: Mayor Charney, Vice Mayor Buchholz, Councilmen Butta, Grossman and Newman, and Councilwoman Holloway. Councilwoman Ashworth was not in attendance. Councilman Newman recused himself and left the meeting at 5:15 p.m. since his wife was one of the applicants. A quorum was established.

Staff in attendance: Town Manager Rick Keuroglan, Town Clerk Libby Hume

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

Specifically: Interviews to fill Library Board Vacancy

Members of the public were asked to leave the room.

Council went into executive session at 5:03 p.m.

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

The open portion of the meeting resumed at 5:30 p.m. There were no members of the public waiting to return to the meeting.

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

Councilman Grossman noted that one of the applicants expressed interest in serving on the Wetlands Board which currently had a vacant position available. There was a consensus to move forward to fill that vacant position this evening.

Motion made by Councilman Grossman, seconded by Vice Mayor Buchholz, to appoint Ms. Lisa Newman to the Library Board, and Mr. Will Jones to the Wetlands & Coastal Dune Board effective immediately. The motion was approved by unanimous vote.

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

The Executive Session adjourned at 5:31 p.m.

Mayor Charney

Town Clerk

DRAFT



DRAFT TOWN COUNCIL Regular Meeting

Cape Charles Civic Center, 500 Tazewell Avenue
June 18, 2026, 6:00 p.m.

CALL TO ORDER

Mayor Charney called the Regular Meeting of the Cape Charles Town Council to order at 6:00 p.m.

ROLL CALL

Council members in attendance: Mayor Charney, Vice Mayor Buchholz, Councilmen Butta, Grossman, and Newman, and Councilwomen Ashworth and Holloway. A quorum was established.

Staff in attendance: Town Manager Rick Keuroglian, Treasurer Marion Sofield, Assistant Treasurer Adrian Oei, Project Manager Bob Panek, Library Manager Sharon Silvey, Library Assistant Maureen Tamares-Meditz, Code Official Jeb Brady, Police Chief Jim Pruitt, Harbormaster Paula Davis, Human Resources Director Jodi Outland, Deputy Planning & Zoning Administrator Tracy Outten, Finance Assistant Jessica Upshur, Town Clerk Libby Hume

Others in attendance: Rich Burger representing the Cape Charles Memorial Library Board

There were 12 members of the public in attendance.

MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Council and attendees observed a moment of silence followed by the Pledge of Allegiance.

RECOGNITION OF VISITORS / PRESENTATIONS / RECOGNITIONS

A. Cape Charles Memorial Library Board Update

Mayor Charney welcomed Richard Burger, representing the Cape Charles Memorial Library Board, to provide the Library's annual update.

Mr. Burger thanked the Mayor and Town Council for the opportunity to highlight the Library's accomplishments and emphasized that the Cape Charles Memorial Library served as far more than a traditional lending library, functioning as a community gathering place offering educational, cultural, and recreational opportunities for residents and visitors of all ages. He reviewed the Library's extensive programming throughout 2025. (Please see attached.) He noted that the Library experienced record attendance during the holiday season, with more than 300 visitors participating in one evening of Festive Friday activities. In addition to children's programming, Mr. Burger discussed the Library's continued partnership with the Eastern Shore Master Gardeners through the Seed Library, which provided free seeds, gardening resources, and educational opportunities to residents while promoting community beautification and environmental stewardship. Mr. Burger expressed appreciation to the Town Council and Cape Charles taxpayers for their continued financial support, recognizing that the Town's investment allowed the Library to provide free programming and services to the community. He also thanked the Friends of the Library, Library Board members, volunteers, staff, and numerous community partners whose contributions made the Library's programs possible.

Council members complimented Mr. Burger and the Library staff on another successful year of programming and community engagement. During brief discussion, Councilman Grossman inquired whether the Library's existing public computers adequately met patron demand. Library Manager Sharon Silvey responded that, particularly following the pandemic, the Library currently

had sufficient computer resources available to accommodate users without significant wait times. Vice Mayor Buchholz also commended the Library for its outstanding work and thanked the staff and volunteers for their continued service to the community.

PUBLIC COMMENTS

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

CONSENT AGENDA

A. *Approval of Agenda Format*

B. *Approval of Minutes*

- May 12, 2026 Town Council Town Hall Meeting
- May 14, 2026 Town Council Special Meeting
- May 21, 2026 Town Council Public Hearing & Regular Meeting

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

UNFINISHED BUSINESS

A. *Fiscal Year 2027 Proposed Budget & Appropriation*

Town Manager Rick Keuroglan stated that the Town Council held three budget work sessions to review and finalize the proposed budget, and the required public hearing had been held on June 4, 2026 with no comments heard. Northampton County reassessed all properties within the County, so the Town's real estate tax rate was equalized to \$.1405 per \$100 as required by the Commonwealth of Virginia. Projected revenue sources for all Funds were determined to be adequate to meet the Town's current and strategic requirements so no increase in tax rates was being proposed for FY 2027. A slight increase in trash collection charges was necessary, going from \$21.25 to \$22.12 per month, with the quarterly billing amount totaling \$66.36. The proposed budget included \$11,291,598 in the General Fund, \$6,001,887 in the General Capital Fund, \$38,122 in the General Debt Service Fund, \$1,099,270 in the Harbor Fund, and \$401,336.00 in the Sanitation Fund for a total Town budget of \$18,824,313. Rick Keuroglan added that if there were any issues with the Building, Planning & Zoning Fee Schedule, his recommendation was to approve it this evening, then schedule a work session to discuss it further since the fee schedule could be amended at any time.

Motion made by Councilman Grossman, seconded by Councilwoman Ashworth, to adopt Ordinance No. 20260618-A – Approving the Budget for Fiscal Year 2026-2027, Including Applicable Tax Rates and Fees, and Making Appropriation for the Fiscal Year. The motion was approved by unanimous vote. Roll call vote: Ashworth, yes, Buchholz, yes, Butta, yes, Grossman, yes; Holloway, yes, Newman, yes.

Mayor Charney congratulated staff on the completion of another successful budget process, and several Council members thanked the Finance Department for its work throughout the budget season.

NEW BUSINESS

A. *Town Code Chapter 28 – Adoption of State Law*

Town Clerk Libby Hume stated that each year a new ordinance must be adopted, accepting any and all amendments to the Code of Virginia regarding matters of regulation of motor vehicles and traffic in order to have the authority to enforce these new laws.

Motion made by Councilman Grossman, seconded by Councilwoman Ashworth, to adopt Ordinance 20260618B to Adopt Amendments to the Code of Virginia § 46.2; and Title 16.1, Chapter 11, Article 9 (§ 16.1-278 et seq.); and Title 18.2, Chapter 7, Article 2 (§ 18.2-266 et

seq.), if any, for Incorporation into the Cape Charles Town Code Chapter 28-Traffic and Vehicles. The motion was approved by unanimous vote. Roll call vote: Ashworth, yes; Buchholz, yes; Butta, yes; Grossman, yes; Holloway, yes; Newman, yes.

B. Support for Northampton County's Proposed Town Edge District Zoning Amendments

Rick Keuroglan presented a proposed resolution expressing the Town's support for Northampton County's proposed amendments creating a new Town Edge Residential (Town Edge-R) District. He emphasized that the resolution was intended solely to support the County's planning initiative and did not approve any specific development proposal, authorize annexation, expand the Town's boundaries, require the extension of municipal utilities, or commit the Town to future infrastructure improvements. He explained that each future development proposal utilizing the proposed zoning district would require its own rezoning application, public hearings before the Northampton County Planning Commission and Board of Supervisors, detailed review of infrastructure capacity, traffic impacts, environmental considerations, and public services, as well as continued coordination with the Town of Cape Charles. He noted that Northampton County, like many communities throughout Virginia, continued to experience a growing need for affordable workforce housing serving teachers, healthcare workers, first responders, service employees, young families, and other members of the local workforce. He stated that thoughtfully planned growth adjacent to existing municipalities could provide additional housing opportunities while supporting local businesses and promoting efficient public services when carefully managed. He stressed that each future project would continue to be evaluated independently on its own merits through the established public review process.

Motion made by Councilman Grossman, seconded by Councilman Newman, to adopt Resolution 20260618 – Expressing Support for Northampton County's Proposed Town Edge Zoning Ordinance Amendments.

There was much discussion as follows: i) Councilman Grossman reported on his attendance at the Northampton County Planning Commission public hearing held earlier that week. He advised Council that the meeting had drawn significant public participation, with most speakers expressing opposition to moving forward at this time. Based on the comments presented, he believed much of the concern stemmed from misunderstandings regarding the proposed ordinance rather than opposition to workforce housing itself. He explained that many residents feared unchecked development, higher taxes, increased infrastructure demands, and mandatory utility extensions, although those concerns were not reflected in the actual ordinance language. He noted that several citizens also questioned affordable housing requirements, residential densities, and apartment development allowances without fully understanding the ordinance's limitations. Councilman Grossman further stated that many residents from other Northampton County towns indicated they had not previously received detailed information regarding the proposal. While numerous Planning Commission work sessions had been held over the past several months, he believed many citizens remained unaware of the ordinance until shortly before the public hearing. He emphasized that improved communication and education would help dispel misconceptions and allow the public to better understand the County's objectives; ii) Councilwoman Holloway agreed that public engagement represented an important lesson learned through the Town's own recent planning efforts, particularly the Beachfront Master Plan process. She stated that traditional public hearings often did not provide the best environment for educating residents on complex planning initiatives. Instead, she suggested that Northampton County consider hosting informational open-house style meetings with multiple stations devoted to topics such as transportation, utilities, emergency services, housing, and environmental impacts, allowing residents to ask questions individually and gain a clearer understanding of the proposal before formal public hearings; iii) Councilman Grossman noted that although Northampton County had conducted previous public hearings, the ordinance itself had not been adequately explained in a manner that encouraged meaningful public participation.

Councilwoman Holloway added that many citizens had already formed opinions before receiving accurate information regarding the proposal; iv) Vice Mayor Buchholz supported additional public outreach. He commended the Town's recent use of community engagement events and suggested that comparable educational opportunities could benefit the County; v) Councilman Newman stated that the presentation recently provided to the Town Council by County Administrator Matt Spuck had been extremely helpful in explaining the purpose and limitations of the proposed zoning district. He observed that much of the current public opposition appeared to result from misinformation and believed additional educational efforts could improve public understanding; vi) Councilwoman Ashworth expressed support for the overall concept of workforce housing but questioned whether there could be unintended consequences if Cape Charles became the only municipality actively supporting the proposal. She voiced concern that the County could ultimately focus implementation around Cape Charles while other communities declined to participate. She also noted comments made during the County Planning Commission meeting suggesting that some residents did not want their communities to become "like" Cape Charles and questioned whether the Town's support might unintentionally complicate the County's broader efforts; vii) Councilwoman Holloway acknowledged those concerns but emphasized that Cape Charles had historically taken a leadership role in addressing community issues. She stated that the Town should continue leading by example while also participating in public education efforts throughout Northampton County to help residents understand the purpose of the ordinance and the importance of expanding workforce housing opportunities; viii) Councilman Grossman observed that approval of the County's zoning amendment would likely encourage additional communication among local governments as other municipalities became more familiar with the proposal. Vice Mayor Buchholz and Councilman Butta also discussed the County's limited housing supply, the number of dormant subdivisions throughout the County, and the continuing need for appropriately sized and attainable housing opportunities; ix) Council members generally agreed that thoughtful planning, continued public engagement, and careful review of each individual development proposal would remain essential as Northampton County considered future housing initiatives.

Following the conclusion of discussion, Mayor Charney called for a roll-call vote.

The motion was approved by unanimous vote. Roll call vote: Ashworth, yes; Buchholz, yes; Butta, yes; Grossman, yes; Holloway, yes; Newman, yes.

Following the vote, Councilman Grossman acknowledged Northampton County Planning Commission member Tom Weaver for his service and participation throughout the County's review of the Town Edge proposal. Several Council members expressed their appreciation for Mr. Weaver's continued efforts on behalf of the community.

C. *Municipal Building Construction Contract*

Project Manager Bob Panek presented the recommendation to award the construction contract for the new Municipal Building. Prior to beginning his presentation, he distributed renderings of the proposed building, including the exterior landscape summary and conceptual first and second floor layouts to provide Council with a visual representation of the facility. He explained that the proposed contract represented only the construction portion of the overall project and did not include certain owner-procured items that would be purchased separately by the Town to reduce overall project costs. These items included the emergency generator, site lighting, certain information technology infrastructure, and related installation work. By procuring these items independently through cooperative purchasing contracts and existing vendors, the Town would avoid contractor markups and overhead costs, resulting in substantial savings. He advised Council that, after accounting for the construction contract, owner-procured equipment, contract administration, construction inspection services, and other project-related expenses, the anticipated project cost would total approximately \$6.6 million before contingency. He further

recommended establishing a 5% contingency reserve of approximately \$311,000, which would provide flexibility to address unforeseen conditions or necessary change orders during construction while maintaining the overall project cost at or near the Town's planning estimate of approximately \$7 million. Bob Panek reported that the Town had received seven competitive bids for the project. Following evaluation of the bids, staff recommended awarding the contract to Hoy Construction, the apparent low bidder, in the amount of \$6,220,779. He noted that Hoy Construction had operated successfully since 1933, had extensive experience constructing public facilities ranging from approximately 30,000 to more than 150,000 square feet, and was currently performing work within Bay Creek. He stated that the strong competition among bidders produced pricing that was lower than staff had anticipated given current construction market conditions.

There was discussion as follows: i) Councilman Newman remarked that he was pleasantly surprised by the favorable bid results, particularly considering the bids received for the Visitor's Center/Restrooms. Bob Panek agreed, explaining that staff had anticipated bids in the upper \$7 million to \$8 million range based upon prevailing market conditions, making the submitted bids especially encouraging; ii) During discussion, Councilwoman Ashworth asked when construction activities were expected to begin. Bob Panek explained that contract documents would be finalized following Council authorization, after which the contractor would receive a Notice to Proceed. He anticipated that procurement of long-lead materials would begin immediately, with site construction likely commencing in late summer or early fall. The contract established a construction period of 420 calendar days, with a provision for liquidated damages should the contractor fail to complete the project within the required timeframe; iii) Councilwoman Ashworth also questioned whether construction activities would significantly disrupt traffic entering and leaving Cape Charles. Bob Panek explained that the project included an approved Virginia Department of Transportation (VDOT) traffic control plan that would maintain traffic flow throughout construction and comply with all VDOT requirements; iv) Mayor Charney added that, given the numerous construction activities already occurring within Bay Creek, the contractor was well positioned to coordinate work efficiently.

Council members then discussed the status of the public restroom project on Strawberry Street. Councilwoman Ashworth acknowledged her enthusiasm for the new Municipal Building but observed that some residents might question moving forward with construction of a new Town Hall while public restrooms remained unfinished. She requested an update regarding the restroom project schedule. Bob Panek explained that the project had experienced an unexpected delay associated with obtaining an underground electrical easement across neighboring property. Because Town ordinances required underground electrical service for new construction, resolution of the easement issue delayed completion of the electrical design and associated permitting. Working with the property owner and the Town's staff, an alternative solution was ultimately developed that allowed the project to proceed without the original easement. Bob Panek reported that permits had now been issued and that construction was expected to move forward with the goal of opening the facility in time for the Festive Fridays events later in the year. He further advised that updated construction estimates indicated the final project cost would likely be substantially lower than originally anticipated. Rather than the previously estimated \$250,000 build-out cost, the current estimate is expected to remain below \$200,000, reducing the lease-related capital costs previously incorporated into the Town's financial planning. Bob Panek also explained that Cape Charles Main Street had secured grant funding of approximately \$67,000 to offset a portion of the construction expenses already incurred for design and interior demolition work. Those funds would reduce the amount ultimately financed through the lease agreement, resulting in lower long-term lease payments for the Town. Council members expressed appreciation for staff's continued efforts to reduce project costs while advancing both the Municipal Building and public restroom projects.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to authorize the Town Manager to award the construction contract to Hoy Construction in the amount of \$6,220,779 and to approve the recommended 5% contingency reserve of \$311,039. The motion was approved by unanimous vote.

Mayor Charney congratulated staff on reaching another significant milestone in the Municipal Building project and expressed his appreciation for the extensive planning that had resulted in a competitive bid and a project that remained within the Town's anticipated budget.

TOWN MANAGER COMMENTS

Rick Keuroglan commented as follows:

- 1) He began his report by recognizing the efforts of Town staff, particularly those involved in preparing the FY 2027 Budget and the agenda items presented during the meeting. He thanked staff members for their hard work, professionalism, and preparation, noting that their efforts had resulted in another successful budget process.
- 2) Personnel: i) The Beach Attendant Program began on June 12 with four attendants, including two returning employees and two new hires. They would be assisting residents and visitors throughout the summer season; ii) Planning & Zoning Technician Jack Steinmeyer had accepted a position in Northern Virginia and would be leaving the Town at the end of June. Staff had already begun the recruitment process, with interviews expected to begin next week in an effort to minimize the vacancy and maintain continuity within the department; iii) Wendy Eider started back again as the Summer Library Assistant to help with the Summer Reading programming.
- 3) Training: i) He congratulated Tracy Outten for successfully passing the Virginia Association of Zoning Officials examination and earning her certification as a Zoning Administrator. He noted that Tracy had worked diligently toward the certification and had already assumed increased responsibilities as the Planning and Zoning Department's lead deputy; ii) He also congratulated Casey Quilter for passing his Property Maintenance and Housing Inspector certification examination, completing another important professional requirement for the department; iii) He attended the Virginia Local Government Management Association's (VLGMA) Summer Conference in Virginia Beach. He would expand on the topics later; iv) A good number of staff attended the Equal Employment Opportunity Commission (EEOC) training on harassment this week; v) Jodi Outland took a webinar through the Virginia Risk Sharing Association (VRSA) regarding Worker's Compensation; vi) He emphasized the Town's ongoing commitment to employee education and professional growth; vii) Councilwoman Holloway recognized Councilman Newman and Ian McDonald for obtaining their Certified Planning Commissioner credentials.
- 4) He received a call from Ron Wolff from the Eastern Shore Rail Trail stating that a VDOT Ribbon Cutting Ceremony was scheduled for August 20th. No time had been set as yet.
- 5) He advised Council that a house located near Bay Creek, commonly referred to by residents as "Miss Kitty," was expected to be relocated before the end of the week. He explained that relocating the structure would eliminate visibility concerns at a nearby intersection and improve traffic safety for all vehicular traffic entering and exiting the Bay Creek area.
- 6) Council then discussed the continuing need for additional public restroom facilities during the busy summer tourism season. Councilwoman Holloway requested confirmation that the Cape Charles Memorial Library would continue making its restroom facilities available during normal operating hours until the new public restrooms were completed. Councilwoman Ashworth inquired whether portable restroom facilities would again be provided at the beachfront throughout the summer. Rick Keuroglan reported that the Town's portable restroom trailer, commonly referred to as the "Silver Bullet," would be installed in Central Park during the summer concert series because of its access to water and utility connections. Council members discussed whether relocating the restroom trailer to the beachfront for the majority of the week would better serve the significantly larger number of beach visitors, while continuing to provide portable facilities at Central Park during concerts and special events. Mayor Charney observed

that beach usage greatly exceeded park attendance during most of the week and suggested that locating the restroom trailer at the beachfront throughout the summer would likely provide the greatest public benefit. Several Council members agreed, noting that improved restroom facilities remained one of the Town's highest priorities. Councilman Butta also requested that restroom facilities in Central Park remain open later during summer evenings, particularly following concerts, noting that many residents and visitors continued using the park after scheduled events concluded. Council discussed coordinating restroom closing times with evening Public Works operations to better accommodate park users.

- 7) He provided an update regarding the Short-Term Rental (STR) program, stating that as of June 18th, 313 STR applications had been received, including 7 submitted in June. 293 had been approved with the remaining applications still in process due to failed inspections, incomplete documentation or outstanding Finance Department requirements. 44 rebate payments totaling \$225 each had been issued to eligible applicants. 2 had been denied because they failed to meet eligibility requirements established by the Town. To ensure accurate billing, the Finance Department staff were reviewing trash collection accounts after identifying approximately 36 properties where reported trash container information did not correspond with actual service levels. He noted that Inspector Casey Quilter would be providing an STR update at the July 16th Town Council Regular Meeting.
- 8) He was having the Canonic property appraisal updated as previously discussed with Council.
- 9) He and Human Resources Director Jodi Outland recently met with representatives of The Berkley Group to assist with recruitment for the Town's vacant Planning & Zoning Administrator position. 3 applications had been received so The Berkley Group was instructed to move quickly through the recruitment process to avoid losing these candidates.
- 10) He received several sample development agreements from Chris McNamara from Virginia Housing that would assist the Town in preparing the agreement for the workforce housing project. He explained that reviewing successful agreements from other Virginia localities would help staff develop appropriate contract language. He also reported that Virginia Housing had identified a grant program that could provide funding of approximately \$50,000 per eligible workforce housing unit, significantly improving project feasibility and affordability. Council briefly discussed how those grant funds could ultimately reduce development costs and improve housing affordability for future residents.
- 11) He spoke to Northampton County Administrator Matt Spuck regarding the County's Community Revitalization Program. Councilman Grossman added that he met with Chris McNamara and Matt Spuck and the information was presented again to Mr. McNamara to ensure continued collaboration between the Town and County on future housing initiatives.
- 12) Responding to previous Council inquiries, Rick Keuroglan reported that the ongoing investigation continued to progress. He stated that he had recently spoken with the assigned special agent, who indicated the investigation was nearing completion. While unable to discuss specific details, he advised that additional findings had been confirmed beyond the information originally submitted to investigators and he anticipated that the matter would continue moving forward in the near future.
- 13) He concluded his report by sharing several observations from the recent VLGMA Conference held in Virginia Beach. He described one of the conference's keynote speakers, author Peter Kageyama, whose books *For the Love of Cities* and *Love Where You Live* focused on creating vibrant, welcoming communities through intentional placemaking and civic engagement. He stated that many of the concepts presented closely aligned with Cape Charles' existing vision of preserving community character while continuing to improve public spaces. Among the ideas discussed were the importance of public art, attractive green spaces, community traditions, walkability, unique local character, and creating memorable experiences that encourage both residents and visitors to develop lasting connections with their community. He observed that Cape Charles already demonstrated many of those characteristics and suggested there remained additional opportunities to expand community gathering spaces, recreational amenities, and creative public events. He specifically referenced concepts such as community dinners, expanded public art, dog

parks, splash pads, and other amenities that encouraged social interaction and strengthened neighborhood connections. He also summarized several legislative issues discussed during the conference, including the growing impact of collective bargaining legislation affecting Virginia local governments. He advised Council that municipalities across the Commonwealth encouraged local governments to proactively evaluate personnel policies before future legislative changes required additional actions. He also emphasized the continued importance of Council training, role clarification, and maintaining productive working relationships between elected officials and staff.

- 14) Finally, he stated that had been invited by the University of Virginia Weldon Cooper Center for Public Service to participate in an executive leadership training program. He explained that the invitation followed his participation in the statewide managers' conference and reflected positively on both his professional development and the Town's commitment to excellence in local government. He noted his appreciation that Town Council was supportive of staff training and development.

MAYOR & COUNCIL COMMENTS

Mayor Charney commented as follows: i) He recognized Karen Zamorski who had announced her retirement as Executive Director of Cape Charles Main Street. He thanked her for her devotion to strengthening the downtown business district, organizing community events, and enhancing the vitality of Cape Charles. He encouraged residents and fellow Council members to thank Ms. Zamorski personally for her years of dedicated service; ii) He requested that discussion on changing the regular Town Council meeting day from Thursday to Wednesday be placed on the July 16th agenda.

Councilman Butta stated that parking had been an ongoing concern. He noted that a new state regulation requires golf carts to park parallel to the curb, which would cause them to occupy more space than in prior years. VDOT indicated it would consider a Town proposal to stripe designated areas for perpendicular golf cart parking. Councilman Butta suggested that staff prepare a map of potential locations for Council review at a future work session, noting that designated golf cart parking could improve parking efficiency. Council members responded favorably and suggested combining the discussion with the previously proposed work session on the Building, Planning & Zoning fee schedule.

Councilman Grossman provided an update regarding the ongoing Virginia American Water (VAW) rate case before the Virginia State Corporation Commission. He explained that several Virginia localities had negotiated a stipulation with VAW regarding proposed water and wastewater rate increases, and that the agreement was currently under review by the hearing examiner. Although the final decision had not yet been issued, Councilman Grossman advised that customers should anticipate increases of approximately 20 % for both water and wastewater service. He explained that the interim rates implemented on May 1 may ultimately be adjusted following the Commission's final ruling, with refunds issued if necessary. Council briefly discussed the projected impact on residential utility bills and noted that, despite the significant increase, VAW rates would remain below the Town's former utility rates.

Councilwoman Holloway reminded everyone that the Impact **Center's Juneteenth Celebration** would be held tomorrow from 1:00 p.m. to 6:00 p.m. and encouraged residents to participate in the event.

Councilwoman Ashworth announced that SailFest 250 would take place this Saturday and Sunday from noon to 6:00 p.m. She highlighted opportunities for residents and visitors to tour the visiting tall ships, enjoy free family activities, live entertainment, and other festival events throughout the weekend. Parking fees were \$10 for cars and \$5 for golf carts. She encouraged everyone to attend.

ANNOUNCEMENTS

- June 19, 2026 – Town offices closed for the Juneteenth holiday
- June 19, 2026 – First concert in the Summer Concert Series in Central Park
- June 20-21, 2026 – SailFest 250
- July 2, 2026 – Town Council Work Session – Tentative. Because several Council members would be unavailable, Council agreed to cancel the work session.
- July 3, 2026 – Town offices closed for Independence Day holiday
- July 16, 2026 – Town Council Regular Meeting

ADJOURNMENT

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

The meeting adjourned at 7:23 p.m.

Adam Charney, Mayor

Libby Hume, Town Clerk

June 18, 2026 Town Council Regular Meeting

Library Board Update, Rich Burger







BIG SPROUTS STORYTIME
7.22.2025

TOTAL ATTENDEES
9



CAPE CHARLES MEMORIAL LIBRARY
CREATIVE COLLECTIVE
7.10.2025

TOTAL ATTENDEES
3



COMMUNITY HELPERS DAY
7.16.2025

TOTAL ATTENDEES
190



BAREFOOT PUPPET THEATRE
CAN'T CATCH ME!
7.21.2025

TOTAL ATTENDEES
33





NATURE'S PALETTES
7.24.25

TOTAL ATTENDEES
29



Creature Catch, ID, & Release
7.25.2025

UNIVERSITY OF VIRGINIA Coastal Research Center

TOTAL ATTENDEES
119



BALLET BASICS WITH MEGAN VALENTINE
7.29.25

TOTAL ATTENDEES
18



FAMILY BINGO!
7.31.25

TOTAL ATTENDEES
46









**2025
FACTS &
FIGURES**

279 new
library cards issued

744 used the
library for
study / meeting

104
programs hosted

261
documents
notarized

1,447
wireless
sessions

20,161
people visited

860
in-person
computer use

18,472
total items
circulated

989.5
volunteer
hours

4,375
program attendees

8,626
people visited

61
programs hosted

177
registrants for
summer reading
challenge
(all ages)

**SUMMER
June, July & August
FACTS &
FIGURES**

1,688
program attendees

34
community partners
collaborated

140
prizes claimed

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
April 30, 2026

Cash on Hand	3/31/2026	4/30/2026	Increase/ (Decrease)
Atlantic Union Bank Checking Account	\$152,986	\$208,983	\$55,997
Atlantic Union Bank Money Market Account	\$15,289	\$15,318	\$29
LGIP Account 1 - 0565 - Unrestricted	\$124,089	\$124,474	\$384
LGIP Account 2 - 0195 - Unrestricted	\$394,418	\$395,639	\$1,222
Virginia Investment Pool Liquidity Unassigned - 5003	\$17,150,125	\$17,203,504	\$53,379
Virginia Investment Pool 1-3 Year Unassigned 0001	\$1,138,348	\$1,140,431	\$2,083
Taylor Bank Operating Cash Account	\$116,622	\$109,032	-\$7,590
Taylor Bank Sweep Account	\$1,572,412	\$1,574,803	\$2,391
Total Cash On Hand	\$20,664,290	\$20,772,185	\$107,894

Restricted and Reserved Cash Balances	3/31/2026	4/30/2026	Increase/ (Decrease)
Atlantic Union Bank Checking Account - Police Funds	\$431	\$431	\$0
LGIP Account 2 - Restricted for USDA loan covenant	\$30,120	\$30,120	\$0
Virginia Investment Pool Liquidity Acct#1 Facility Fees Rsrvd (Utilities)	\$0	\$0	\$0
Total Cash Held in Reserve	\$30,551	\$30,551	\$0

Total Cash - All Accounts	\$20,694,841	\$20,802,736	\$107,894
----------------------------------	---------------------	---------------------	------------------

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
April 30, 2026

REVENUE VS. EXPENDITURES

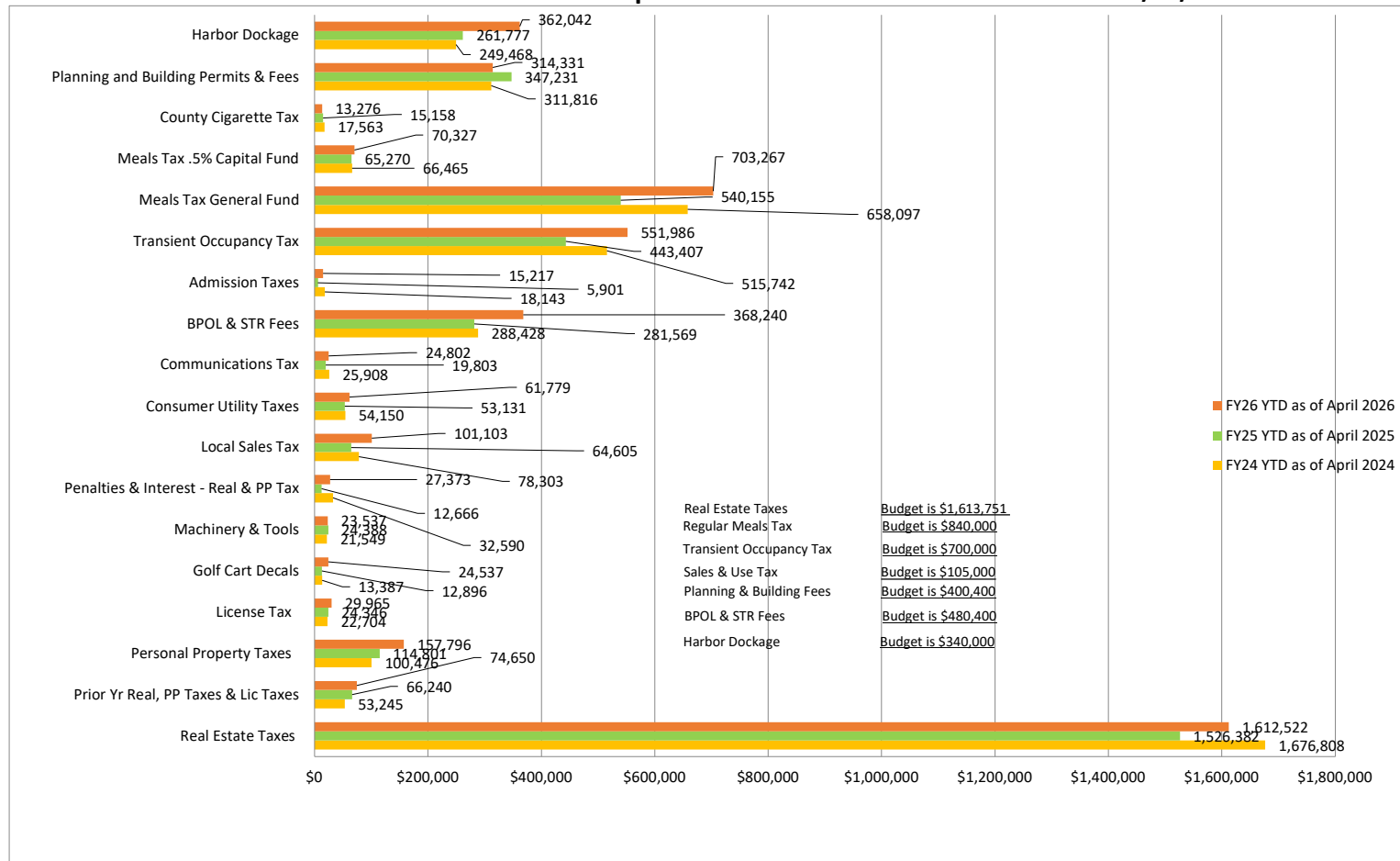
FUND	CURRENT MONTH	CURRENT YEAR-TO-DATE	ANNUAL BUDGET	% REALIZED/ EXPENDED FY25
GENERAL Fund				
REVENUE	\$350,540	\$5,320,569	\$5,916,265	89.93%
EXPENDITURES	\$343,128	\$3,900,577	\$5,916,265	65.93%
NET	\$7,413	\$1,419,992	\$0	
GENERAL Capital Fund				
REVENUE	\$4,165	\$1,570,327	\$6,837,456	22.97%
EXPENDITURES	\$135,894	\$3,188,666	\$6,837,456	46.64%
NET	(\$131,730)	(\$1,618,339)	\$0	
GENERAL Debt Service Fund				
REVENUE	\$0	\$1,595,121	\$1,655,121	96.37%
EXPENDITURES	\$0	\$1,510,886	\$1,655,121	91.29%
NET	\$0	\$84,235	\$0	
GENERAL Special Activities Fund				
REVENUE	\$0	\$0	\$0	0.00%
EXPENDITURES	\$0	\$0	\$0	0.00%
NET	\$0	\$0	\$0	
PUBLIC UTILITIES Fund				
REVENUE	\$0	\$83,480	\$80,000	104.35%
EXPENDITURES	\$0	\$80,042	\$80,000	100.05%
NET	\$0	\$3,438	\$0	
HARBOR Fund				
REVENUE	\$82,071	\$1,110,460	\$1,108,331	100.19%
EXPENDITURES	\$56,277	\$761,946	\$1,108,331	68.75%
NET	\$25,794	\$348,514	\$0	
SANITATION Fund				
REVENUE	\$93,187	\$289,188	\$361,177	80.07%
EXPENDITURES	\$30,730	\$328,562	\$361,177	90.97%
NET	\$62,457	(\$39,374)	\$0	

FY 26 Capital Improvement Project Tracking Report

As of:
4/30/2026

	<u>% of Current Year Budget</u>	<u>FY26 Budgeted</u>	<u>QTR 1 Expended</u>	<u>QTR 2 Expended</u>	<u>QTR 3 Expended</u>	<u>QTR 4 Expended</u>	<u>FY26 YTD Expended</u>	<u>(Over)/Under Budget</u>
<u>General Capital Fund</u>								
Municipal Space Replacement	3%	\$3,087,981.00	\$ 2,004	\$ 23,753	\$ 53,490	\$ 18,471	\$ 97,718	\$ 2,990,263
ADA Parking	62%	\$47,400.00	\$ 5,667	\$ 2,710	\$ 21,000	\$ -	\$ 29,377	\$ 18,023
Library Repair & Renovation	95%	\$ 310,000	\$ 610	\$ 5,369	\$ 289,324	\$ -	\$ 295,303	\$ 14,697
Beachfront Revitalization	0%	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Beach Restroom/Bathhouse	0%	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Sidewalk Infill	99%	\$ 103,000	\$ -	\$ -	\$ 102,077	\$ -	\$ 102,077	\$ 923
Mason Ave. Electrical	36%	\$ 126,000	\$ -	\$ -	\$ -	\$ -	\$ 45,364	\$ 80,636
Keck Wells Water Line Return	19%	\$ 565,000	\$ -	\$ 105,000	\$ -	\$ -	\$ 105,000	\$ 460,000
7 Strawberry Public Restroom	1327%	\$ 5,100	\$ -	\$ -	\$ -	\$ -	\$ 67,666	\$ (62,566)
Mason Ave ADA Ramps	0%	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Subtotal		\$ 4,329,381.00	\$ 8,281	\$ 136,832	\$ 465,891	\$ 18,471	\$ 674,840	\$ 3,194,541
<u>Harbor Fund</u>								
Fuel Tank Improvements	0%	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000
Replace Boardwalk With Synthetic Decking	100%	\$ 162,000	\$ 11,785	\$ 13,988	\$ 136,132	\$ -	\$ 161,905	\$ 95
Subtotal		\$ 196,000	\$ 11,785	\$ 13,988	\$ 136,132	\$ -	\$ 161,905	\$ 34,095
TOTAL		\$ 4,525,381	\$ 20,066	\$ 150,820	\$ 602,023	\$ 18,471	\$ 836,745	\$ 3,228,636

Specific Sources of Revenue as of 4/30/2026



FY 26 Real Time Project Tracking Report

As of:
6/10/2026

	% of Budget	FY26 Budgeted	FY26 YTD Expended	(Over)/Under Budget
Restroom Trailer	99%	\$ 70,000	\$ 69,232.00	\$ 768.00
Interim Town Hall Costs				
Moving Costs				
Repairs & Improvements			\$ 35,312.97	
Information Technology & Computer Hardware			\$ 52,317.59	
Furnishings			\$ 41,059.51	
Contingency			\$ 7,689.93	
Subtotal	107%	\$ 127,500	\$ 136,380.00	\$ (8,880.00)
Lease	92%	\$ 62,019	\$ 56,769.00	
Total	102%	\$ 189,519	\$ 193,149.00	\$ (3,630.00)

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
May 31, 2026

Cash on Hand	4/30/2026	5/31/2026	Increase/ (Decrease)
Atlantic Union Bank Checking Account	\$208,983	\$76,580	-\$132,403
Atlantic Union Bank Money Market Account	\$15,318	\$15,349	\$30
LGIP Account 1 - 0565 - Unrestricted	\$124,474	\$124,869	\$395
LGIP Account 2 - 0195 - Unrestricted	\$395,639	\$396,895	\$1,256
Virginia Investment Pool Liquidity Unassigned - 5003	\$17,203,504	\$17,258,411	\$54,906
Virginia Investment Pool 1-3 Year Unassigned 0001	\$1,140,431	\$1,141,738	\$1,307
Taylor Bank Operating Cash Account	\$109,032	\$332,651	\$223,619
Taylor Bank Sweep Account	\$1,574,803	\$1,377,166	-\$197,637
Total Cash On Hand	\$20,772,185	\$20,723,659	-\$48,525

Restricted and Reserved Cash Balances	4/30/2026	5/31/2026	Increase/ (Decrease)
Atlantic Union Bank Checking Account - Police Funds	\$431	\$431	\$0
LGIP Account 2 - Restricted for USDA loan covenant	\$30,120	\$30,120	\$0
Virginia Investment Pool Liquidity Acct#1 Facility Fees Rsrvd (Utilities)	\$0	\$0	\$0
Total Cash Held in Reserve	\$30,551	\$30,551	\$0

Total Cash - All Accounts	\$20,802,736	\$20,754,210	-\$48,525
----------------------------------	---------------------	---------------------	------------------

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
May 31, 2026

REVENUE VS. EXPENDITURES

FUND	CURRENT MONTH	CURRENT YEAR-TO-DATE	ANNUAL BUDGET	% REALIZED/ EXPENDED FY25
GENERAL Fund				
REVENUE	\$362,070	\$5,714,278	\$5,916,265	96.59%
EXPENDITURES	\$405,014	\$4,306,011	\$5,916,265	72.78%
NET	(\$42,944)	\$1,408,267	\$0	
GENERAL Capital Fund				
REVENUE	\$6,164	\$1,576,491	\$6,837,456	23.06%
EXPENDITURES	\$85,970	\$3,274,636	\$6,837,456	47.89%
NET	(\$79,806)	(\$1,698,145)	\$0	
GENERAL Debt Service Fund				
REVENUE	\$0	\$1,595,121	\$1,655,121	96.37%
EXPENDITURES	\$0	\$1,510,886	\$1,655,121	91.29%
NET	\$0	\$84,235	\$0	
GENERAL Special Activities Fund				
REVENUE	\$0	\$0	\$0	0.00%
EXPENDITURES	\$0	\$0	\$0	0.00%
NET	\$0	\$0	\$0	
PUBLIC UTILITIES Fund				
REVENUE	\$179	\$83,658	\$80,000	104.57%
EXPENDITURES	\$0	\$80,042	\$80,000	100.05%
NET	\$179	\$3,617	\$0	
HARBOR Fund				
REVENUE	\$126,075	\$1,236,535	\$1,108,331	111.57%
EXPENDITURES	\$116,865	\$878,833	\$1,108,331	79.29%
NET	\$9,209	\$357,702	\$0	
SANITATION Fund				
REVENUE	\$2,622	\$291,810	\$361,177	80.79%
EXPENDITURES	\$31,490	\$360,052	\$361,177	99.69%
NET	(\$28,868)	(\$68,242)	\$0	

FY 26 Capital Improvement Project Tracking Report

As of:
5/31/2026

	<u>% of Current Year Budget</u>	<u>FY26 Budgeted</u>	<u>QTR 1 Expended</u>	<u>QTR 2 Expended</u>	<u>QTR 3 Expended</u>	<u>QTR 4 Expended</u>	<u>FY26 YTD Expended</u>	<u>(Over)/Under Budget</u>
<u>General Capital Fund</u>								
Municipal Space Replacement	3%	\$3,087,981.00	\$ 2,004	\$ 23,753	\$ 53,490	\$ 19,470	\$ 98,717	\$ 2,989,264
ADA Parking	62%	\$47,400.00	\$ 5,667	\$ 2,710	\$ 21,000	\$ -	\$ 29,377	\$ 18,023
Library Repair & Renovation	101%	\$ 330,000	\$ 610	\$ 5,369	\$ 289,324	\$ 36,650	\$ 331,953	\$ (1,953)
Beachfront Revitalization	0%	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Beach Restroom/Bathhouse	0%	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Sidewalk Infill	99%	\$ 103,000	\$ -	\$ -	\$ 102,077	\$ -	\$ 102,077	\$ 923
Mason Ave. Electrical	67%	\$ 126,000	\$ -	\$ -	\$ 336	\$ 84,658	\$ 84,994	\$ 41,006
Keck Wells Water Line Return	19%	\$ 565,000	\$ -	\$ 105,000	\$ -	\$ -	\$ 105,000	\$ 460,000
7 Strawberry Public Restroom	1327%	\$ 5,100	\$ -	\$ -	\$ -	\$ 67,666	\$ 67,666	\$ (62,566)
Mason Ave ADA Ramps	11%	\$ 35,000	\$ -	\$ -	\$ -	\$ 3,962	\$ 3,962	\$ 35,000
Subtotal		\$ 4,329,381.00	\$ 8,281	\$ 136,832	\$ 466,227	\$ 212,406	\$ 752,119	\$ 3,117,262
<u>Harbor Fund</u>								
Fuel Tank Improvements	0%	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000
Replace Boardwalk With Synthetic Decking	100%	\$ 162,000	\$ 11,785	\$ 13,988	\$ 136,132	\$ -	\$ 161,905	\$ 95
Subtotal		\$ 196,000	\$ 11,785	\$ 13,988	\$ 136,132	\$ -	\$ 161,905	\$ 34,095
TOTAL		\$ 4,525,381	\$ 20,066	\$ 150,820	\$ 602,359	\$ 212,406	\$ 914,024	\$ 3,151,357

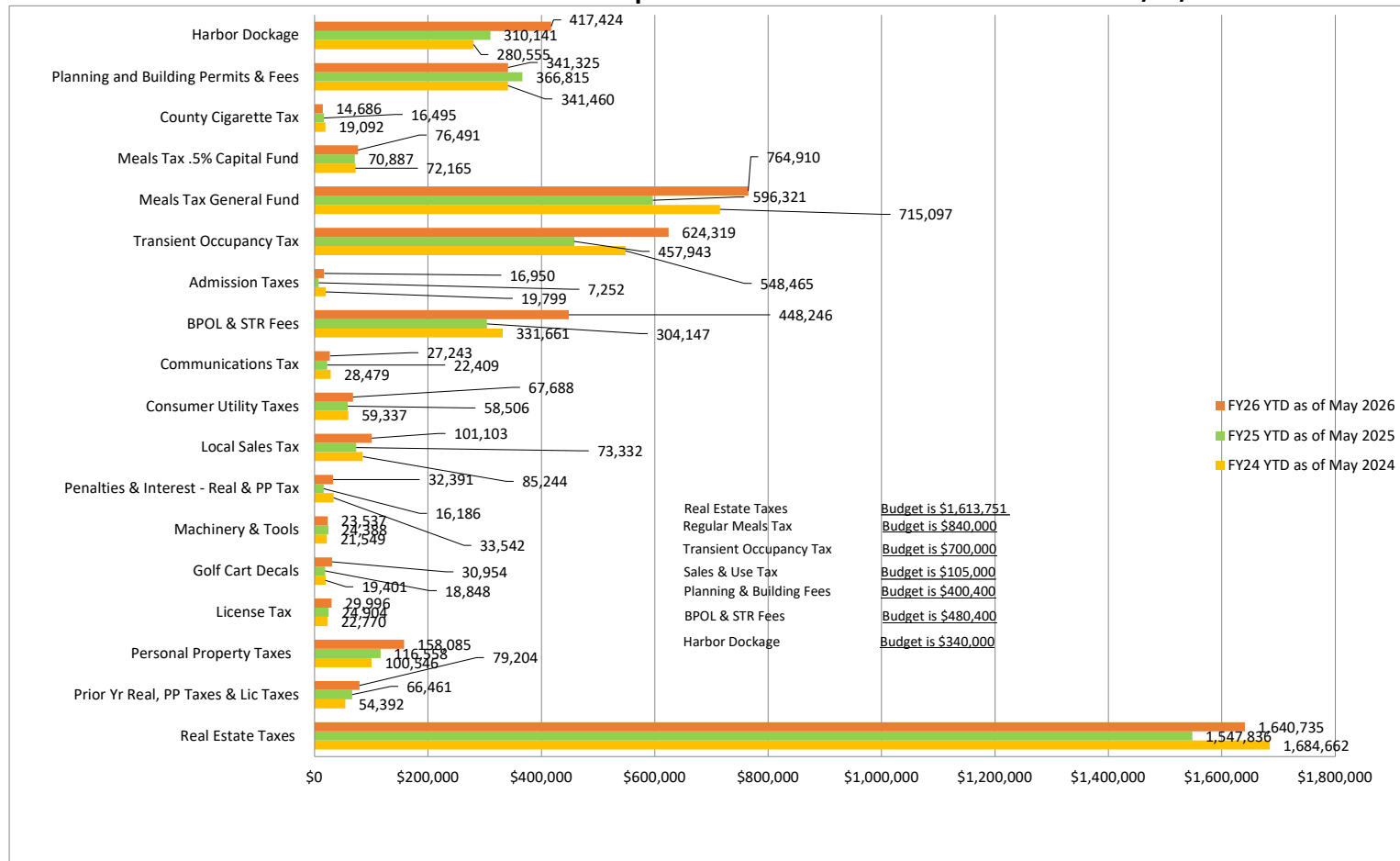
Notice of change to Capital projects:

\$20,000 has been transferred from the Beachfront Revitalization project to the Library Repair & Renovation project at the request of the Capital Projects Manager in order to accommodate additional costs required to finalize the library project.

Note on expenditure on excess of budget:

The 7 Strawberry Public Restroom project is significantly over the budget allocated for the current fiscal year. This expenditure of \$67,666 was for architectural, mechanical, plumbing and electrical plans and partial interior demolition. In addition, it was work for which the town was obligated to pay under the lease with Cape Charles Ventures II, LLC. It was initially anticipated that the cost of this work would be amortized over the 10-year lease period and therefore the expenditure was not budgeted in the current fiscal year. However, paying for the work up front allowed us to expend grant funds which had to be used for this or a similar purpose and which the town would otherwise have been required to return to Northampton County.

Specific Sources of Revenue as of 5/31/2026



FY 26 Real Time Project Tracking Report

As of:
7/6/2026

	% of Budget	FY26 Budgeted	FY26 YTD Expended	(Over)/Under Budget
Restroom Trailer	99%	\$ 70,000	\$ 69,232.00	\$ 768.00
Interim Town Hall Costs				
Moving Costs				
Repairs & Improvements			\$ 35,312.97	
Information Technology & Computer Hardware			\$ 52,317.59	
Furnishings			\$ 41,059.51	
Contingency			\$ 7,689.93	
Subtotal	107%	\$ 127,500	\$ 136,380.00	\$ (8,880.00)
Lease	92%	\$ 62,019	\$ 56,769.00	
Total	102%	\$ 189,519	\$ 193,149.00	\$ (3,630.00)

	Agenda Title:	Agenda Date:
	Municipal Building Construction Phase Services	July 16, 2026
	Subject/Proposal/Request:	
	Authorize HBA Contract Change Order	
Town of Cape Charles	Attachments:	For Council:
	Proposed Change Order	Action: X Information:
	Staff Contact(s):	Reviewed by:
	Bob Panek, Project Manager	Rick Keurogilan, Town Manager

Background:

Council authorized award of the contract with Hoy Construction in the amount of \$6,220,779 for construction of the new Municipal Building at the regular meeting on June 18, 2026. At that time, staff indicated that several additional expenditures associated with construction would be required, i.e., construction phase services by our architectural firm (HBA), and procurement of the emergency generator and parking lot lighting.

Item Specifics:

HBA has provided a proposal for construction phase services, which include construction administration by HBA and subconsultants MSA (civil engineering) and PACE Collaborative (PME engineering), and special inspections by Speight, Marshall, Francis (structural engineering) and Terracon (geotechnical engineering). These services are estimated to cost \$141,504.25 based on a 14-month construction duration, and include such things as: review of material submittals, requests for information, and progress payments, construction progress meetings, special inspections of earth work, concrete and structural steel, etc. Please see the attached proposed change order to the HBA contract. All the subconsultants assisted in preparing the construction plans and specifications. The Town Manager has approval authority for award of professional services contracts not to exceed \$30,000.

Recommendation:

Authorize the Town Manager to approve the HBA contract change order in the amount of \$141,504.25, and approve a 5% contingency reserve of \$7,075.



HBA ARCHITECTURE & INTERIOR DESIGN

TOWN OF CAPE CHARLES OFFICE SPACE EXPANSION PHASE 2 MUNICIPAL CENTER CONSTRUCTION PHASE SERVICES SCOPE DOCUMENT

June 26, 2026

PURPOSE:

Provide Construction Phase services for the Cape Charles Municipal Center based upon the Construction Documents previously provided by HBA.

PROPOSED CONSULTANTS:

Civil Engineering:	MSA
Structural Engineering:	Speight, Marshall Francis, PC
PME Engineering:	PACE Collaborative
Geotechnical Engineering	GET Solutions (Terracon)

SCOPE:

1.0 SCOPING AND PROJECT MANAGEMENT

9.0 CONSTRUCTION ADMINISTRATION

- During the Construction Administration phase, the Architect will provide to the Owner the services necessary for administration of the construction contract as set forth in the General Conditions of the contract.
- Construction Administration services will be provided for fourteen (14) months from the start of Construction, and will include:
 - Processing and review of submittals and RFIs.
 - Review and certification of the Contractor's monthly application for payment
 - One (1) Preconstruction Conference
 - Twenty-eight (28) visits to the site to observe construction and become generally familiar with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the contract documents. At each site visit the Architect will facilitate a Construction Progress Meeting, including preparation of the agenda and distribution of meeting minutes.
 - One (1) visit to the site for Substantial Completion and preparation of a punch list.
 - One (1) visit to the site for Final Completion

- Visits to the site by the consulting engineers as follows:
 - Civil Engineer: Ten (10) site visits
 - PME Engineer: Twenty (20) site visits
 - Structural Engineer: refer to Task 10 below.
- Preparation of related reports and communications as required.
- Coordination and review of closeout documents from the Contractor

10.0 SPECIAL INSPECTIONS

- Agent One and Two services will be performed, as required by the Statement and Schedule of Special Inspections. Proposal includes ten (10) site visits by the Agent 1 Inspector (Structural Engineer) and twenty-eight (28) visits by the Agent 2 Inspector (Terracon).

HBA Architecture & Interior Design, Inc.
Town of Cape Charles Office Space Expansion Phase 2
Municipal Center Construction Phase Services
Fee Proposal 6/26/2026

HBA

1.0 - Scoping and Project Management						TOTAL	\$6,120.00
<u>Architectural</u>						Markup	TOTAL
PIC	24	hours @	\$255	=	\$6,120.00		
					\$6,120.00	\$0.00	\$6,120.00
9.0 Construction Administration						TOTAL	\$100,241.50
<u>Architectural</u>						Markup	TOTAL
PIC	120	hours @	\$255	=	\$30,600.00		
Architectural Staff Level 3	300	hours @	\$125	=	\$37,500.00		
Administration	16	hours @	\$45	=	\$720.00		
					\$68,820.00	\$0.00	\$68,820.00
<u>Civil</u>							
Project Manager	32	hours @	\$165	=	\$5,280.00		
Project Engineer	24	hours @	\$135	=	\$3,240.00		
					\$8,520.00	\$852.00	\$9,372.00
<u>Structural</u>							
Staff Engineer	9	hours @	\$135	=	\$1,215.00		
Prof. Construction Admin	16	hours @	\$125	=	\$2,000.00		
Clerical	3	hours @	\$60	=	\$180.00		
					\$3,395.00	\$339.50	\$3,734.50
<u>PME</u>							
Project Manager	4	hours @	\$225	=	\$900.00		
Mech Engineer	74	hours @	\$160	=	\$11,840.00		
Electrical Engineer	10	hours @	\$160	=	\$1,600.00		
Plumb Design	6	hours @	\$160	=	\$960.00		
Clerical	18	hours @	\$75	=	\$1,350.00		
					\$16,650.00	\$1,665.00	\$18,315.00
10.0 Special Inspections						TOTAL	\$32,851.50
<u>Structural</u>							
Total Fee				=	\$4,205.00		
					\$4,205.00	\$420.50	\$4,625.50
<u>Geotechnical</u>							
Total Fee				=	\$25,660.00		
					\$25,660.00	\$2,566.00	\$28,226.00
Discipline Totals							
					HBA/Architectural		\$74,940.00
					Geotechnical Engineering		\$28,226.00
					Structural Engineering		\$8,360.00
					PME Engineering		\$18,315.00
					Civil Engineering		\$9,372.00
					Subtotal		\$139,213.00
Reimbursable Expenses							\$2,291.25
<u>Fees</u>							
Estimated Building Permit Fee	0	Each @	x		500.00	=	\$0.00
Estimated Site Plan Review fee	0	Each @	x		1,500.00	=	\$0.00
<u>Printing and Reproduction</u>							
Estimated printing of drawings (if required for review submissions, 10 sets of drawings at \$75 per set)	0	Each @	x		75.00	=	\$0.00
<u>Local Travel Mileage</u>							
30 visits to project site @ 75 miles round trip	2250	Miles	x		0.725	=	\$1,631.25
	30	Tolls	@		22.00	=	\$660.00
Note: All reimbursable expenses to be invoiced at actual cost, with no markup, in accordance with the agreement.							
TOTAL FEE							\$141,504.25



June 19, 2026

HBA Architecture & Interior Design Inc
One Columbus Center Ste 1000
Virginia Beach, VA 23462
Attn: Mr. David Smith
P: 757-490-9048
E: davids@hbaonline.com

RE: Proposal for Construction Materials Testing Services for Special Inspections (Agent 2)
and Site Work
Cape Charles New Municipal Center
Cape Charles, Virginia
Terracon Proposal No. 1000019829

Dear Mr. Smith:

Terracon Consultants, Inc. is pleased to present this proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work on the referenced project. This proposal describes our understanding of the project, discusses the scope of services to be provided and presents applicable fees with a budget estimate.

1.0 PROJECT INFORMATION

The project is located on Mason Avenue and will consist of building a new, two-story municipal center. It is anticipated that the new structure will be approximately 15,000 square feet in gross area and will be of CMU and structural steel framing construction, supported on shallow foundations with a concrete slab-on-grade. New pavements and associated infrastructure will be constructed as well.

If our assumptions or understanding of the project are incorrect, we request the opportunity to review this proposal and modify it accordingly for re-submittal to your attention.

2.0 SCOPE OF SERVICES

Based on our present understanding of this project, we anticipate the scope of our services to include the following:

- Shallow foundation observation
- Earthwork observation, sampling and testing

- Cast-in-place concrete observation, sampling and testing
- Structural masonry sampling and testing
- Structural steel observation (welds)
- Laboratory testing of fill materials, concrete, and masonry

Shallow Foundation Observation

We anticipate the scope of foundation related observation to include the items listed below:

- A Terracon Professional Engineer, or designee of, will observe exposed foundation soils and will perform visual observations and hand auger borings in the base of the foundations to evaluate the bearing soils. Based on our observations, we will assess if the soils observed appear satisfactory for the design bearing pressure.

Earthwork Observation, Sampling and Testing

We anticipate the scope of earthwork related observation to include the items listed below:

- Observe proofrolling of subgrades in initial fill areas. Once grading operations are underway, Terracon will perform supplemental proofroll observation and bulk sampling for laboratory gradation and Proctor analysis.
- Collect bulk samples of proposed fill, backfill and subbase material and test in our laboratory. Reports will be issued indicating the soil's gradation, maximum dry density and optimum moisture content for compaction in accordance with ASTM Standards.
- Observe fill placement for conformance with project requirements and perform moisture/density testing and document moisture/density test results during earthwork operations as well as backfilling of utilities and other excavations in structural fill areas.

Cast-in-Place Concrete Observation, Sampling and Testing

We assume a contractor's representative will provide on-site storage for initial curing of cylinder samples capable of controlling temperatures within the range specified by ASTM C31. Terracon can provide climate controlled curing boxes for an added fee if there is a dedicated power source provided on-site. Terracon does not verify formwork for specific location nor verify finish grade elevations. We anticipate the scope of concrete related observation and testing to include the items listed below:

- Obtain one composite sample for each day's pour of each concrete mixture exceeding 5 cubic yards, plus one set for each additional 50 cubic yards or fraction thereof and cast sets of six (6) 4x8-inch compressive strength specimens. Additional cylinders will be made upon request at an additional cost.
- Review concrete batch delivery tickets to verify that the correct mix is used.
- Observe concrete placement to verify proper application techniques.



- Perform tests on fresh concrete for mix temperature, slump and air content* (unit weight, when applicable) when cylinders are made.
 - *Air content measurements (ASTM C231) will not include aggregate correction factors unless the aggregate correction factor is included in the approved concrete mix design. Terracon can perform the aggregate correction factor upon request of the client at an additional cost.
- Observe hot and/or cold weather concrete protective measures for general conformance to ACI 305 and 306.
- After initial curing, we will transport the cylinders to the laboratory for final moist curing and compressive strength testing, we propose the following ages for compressive strength testing: 2 at 7 days, and 3 at 28 days, and 1 kept as a spare.
- Concrete curing will only be verified for compressive strength samples.

Masonry Sampling and Testing

Observations will be performed on a periodic basis unless noted otherwise. We anticipate the scope of masonry related observation to include the items listed below:

- Review proportions of site prepared mortar and grout.
- Review mortar and grout placement and perform slump tests and cast sets of eight (8) compressive strength specimens. We propose the following ages for compressive strength testing: 3 at 7 days, 3 at 28 days, and 2 spares

Structural Steel Observation and Testing

Our proposal is based on all the members and connections to be inspected being completed and accessible during our scheduled site visits. The contractor should schedule our inspections in a sequence to assure all the members and components are inspected within our proposed number of site visits.

Observations will be performed on a periodic basis unless noted otherwise. We anticipate the scope of structural steel related observation to include the items listed below:

Field:

- Perform visual observation as required by applicable specifications, contract drawings.
- Visual inspection of high-strength bolt installation.
- Visual inspections of the elevated decking materials for gage, width, type and fastening. Inspect welding and side lap attachments.

After review and approval, we recommend that the scope of work described in this proposal be provided to the person(s) who will be responsible for scheduling Terracon so that they are aware of the required services for this project. Our services specifically exclude job site safety responsibility beyond those of our own employees and our services do not relieve any contractor/subcontractor from complying with project specifications.



We also recommend that a protocol for communicating observation and testing reports as well as resolving discrepancies be discussed at pre-construction meetings, typically attended by representatives of the Owner, Architect, Structural/Civil Engineer of Record, General Contractor and any subcontractors the General Contractor believes appropriate.

Our proposal does not include ladders, man lifts, scaffolds and other means necessary to access the areas to perform our inspections and tests. For us to safely and efficiently perform our scope of services, others will need to provide all necessary means to access the areas for our work. Our scope does not include shoring, temporary bracing, construction aids or monitoring of safety practices of the Contractor.

3.0 COORDINATION AND SCHEDULING

Our services will be performed on an as-requested basis as scheduled by an authorized client representative. We request our services be scheduled by 4:00PM the business day prior to needing services and two working days prior to the commencement of each category of activities. All requests for periodic services should be submitted to our dispatcher, Mike Bonomo, at 757-518-1703 or mbonomo@getsolutionsinc.com between 8:00am and 4:30pm, Monday through Friday. Messages left on the scheduling line or sent to our dispatch email address outside of these hours on weekdays, weekends or holidays will be received the next business day.

4.0 SAFETY



At Terracon, we all have a personal and uncompromising commitment to everyone going home safely each and every day. Incident and Injury-Free (IIF) is about care and concern for people. It is our commitment at all levels of the company where safety is held as a core value and an operational priority. Working safely is an inseparable part of working correctly, and just as important as other operational priorities, including quality, profitability and schedule. IIF is our commitment to people, valued by us for who they are and what they do. IIF is not just something we do; it's in everything we do.



Site Access and Safety:

Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees but shall not be responsible for the supervision or health and safety precautions for any third parties, including Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to the coronavirus. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes. Client acknowledges its responsibility for notifying Consultant of any circumstances that present a risk of exposure to the coronavirus or individuals who have tested Positive for COVID-19 or are self-quarantining due to exhibiting symptoms associated with the coronavirus.

5.0 COMPENSATION

Based on our experience with similar projects, we estimate the cost of our services will be on the order of **\$25,660.00**, as detailed on the attached Budget Estimate. These fees are based on the requirements of the project specifications and your itemized Special Inspections and is in accordance with the attached Terracon Budget Estimate.

The actual cost of our services will be billed on a time and expense basis and will be highly dependent on the actual construction schedule. Our project staff will bill for value added services and project oversight. Contingencies should be made for unforeseen site conditions or construction operations. If the actual construction schedule differs significantly from the quantities and durations used to develop this cost estimate, additional costs may be incurred. Any services not included in our proposed scope can be provided as requested by the client or client's representative at an addition to our estimated budget.

Any cost associated with re-testing or re-inspecting work that failed to comply with contract documents is not included in our estimated budget. Cost associated with reinspection of nonconforming work can be tracked separately and invoiced to the client for collection from the responsible party, if requested.



6.0 AUTHORIZATION

You may formally enter into an agreement with us by signing the attached Agreement for Services and returning it to our office. A signed copy of the Agreement for Services must be returned to our office before the initiation of our services. It is Terracon's policy that reports will not be issued prior to receiving a fully executed agreement.

We thank you for the opportunity to offer our services and look forward to working with you on this project. If you have questions or require additional information, please contact the undersigned.

Sincerely,

Terracon Consultants, Inc.

joe gilbert

Joe Gilbert
Senior Project Manager

A handwritten signature in black ink, appearing to read 'D. Mark Scholefield', with a stylized, looping flourish at the end.

D. Mark Scholefield, PE
Vice President

Attachments: Budget Estimate
Agreement for Services

Attachment "A"- Budget Estimate Proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work Cape Charles New Municipal Center Cape Charles, Virginia Terracon Proposal No: 1000019829 Prepared For: HBA Architecture & Interior Design Inc June 19, 2026				
	Quantity	Unit	Unit Rate (\$)	Totals
I. Project Management				
Project Manager for Meeting/Project Setup	3	hrs	150.00	450.00
<i>Subtotal Task I</i>				450.00
II. EARTHWORK				
Laboratory Compaction Characteristics- Standard Proctor Tests	1	each	150.00	150.00
Moisture Content by Oven	1	each	15.00	15.00
Grain Size Analysis	1	each	95.00	95.00
Sample Pickup- Proctor (1 trip)	2	hrs	75.00	150.00
Soils Tests for Compaction Testing- Includes equipment, reporting, and project management time (4 trips)	4	trips	450.00	1800.00
Foundation Tests for Subgrade Evaluation/Proofroll- Includes equipment, reporting, and project management time (4 trips)	4	trips	550.00	2200.00
<i>Subtotal Task II</i>				4410.00
III. SHALLOW FOUNDATIONS				
Foundation Tests for Footing Bearing Capacity Inspection- Includes equipment, reporting, and project management time (4 trips)	4	trips	550.00	2200.00
<i>Subtotal Task III</i>				2200.00
IV. CONCRETE				
Concrete Tests- Includes cylinder pick-up, login, strength testing, reporting, and project management time (8 trips)	8	trips	1000.00	8000.00
<i>Subtotal Task IV</i>				8000.00
V. MASONRY				
Masonry Tests- Includes sample pick-up, login, strength testing, reporting, and project management time (4 trips)	4	trips	1000.00	4000.00
<i>Subtotal Task V</i>				4000.00
VI. STRUCTURAL STEEL				
Nondestructive Tests for Weld/Bolt Inspection- Includes equipment, reporting, and project management time (3 trips)	3	trips	800.00	2400.00
<i>Subtotal Task VI</i>				2400.00
VII. TRIP CHARGE				
Mileage and Tolls	28	trips	150.00	4200.00
<i>Subtotal Task VII</i>				4200.00
<i>Estimated Total For Construction Materials Testing Services</i>				25660.00
<i>On-site cancellations will be billed at a rate of \$200.00 per trip</i>				
<i>Overtime billed at 1.5x hourly rate (holidays, weekends, and 6PM-6AM)</i>				

AGREEMENT FOR SERVICES

This AGREEMENT is between HBA Architecture & Interior Design Inc ("Client") and Terracon Consultants, Inc. ("Consultant") for Services to be provided by Consultant for Client on the Cape Charles New Municipal Center-Cape Charles-VBG-26-Proposal project ("Project"), as described in Consultant's Proposal dated 06/19/2026 ("Proposal"), including but not limited to the Project Information section, unless the Project is otherwise described in Exhibit A to this Agreement (which section or Exhibit is incorporated into this Agreement).

1. **Scope of Services.** The scope of Consultant's services is described in the Proposal, including but not limited to the Scope of Services section ("Services"), unless Services are otherwise described in Exhibit B to this Agreement (which section or exhibit is incorporated into this Agreement). Portions of the Services may be subcontracted. Consultant's Services do not include the investigation or detection of, nor do recommendations in Consultant's reports address the presence or prevention of biological pollutants (e.g., mold, fungi, bacteria, viruses, or their byproducts) or occupant safety issues, such as vulnerability to natural disasters, terrorism, or violence. If Services include purchase of software, Client will execute a separate software license agreement. Consultant's findings, opinions, and recommendations are based solely upon data and information obtained by and furnished to Consultant at the time of the Services.
2. **Acceptance/ Termination.** Client agrees that execution of this Agreement is a material element of the consideration Consultant requires to execute the Services, and if Services are initiated by Consultant prior to execution of this Agreement as an accommodation for Client at Client's request, both parties shall consider that commencement of Services constitutes formal acceptance of all terms and conditions of this Agreement. Additional terms and conditions may be added or changed only by written amendment to this Agreement signed by both parties. In the event Client uses a purchase order or other form to administer this Agreement, the use of such form shall be for convenience purposes only and any additional or conflicting terms it contains are stricken. This Agreement shall not be assigned by either party without prior written consent of the other party. Either party may terminate this Agreement or the Services upon written notice to the other. In such case, Consultant shall be paid costs incurred and fees earned to the date of termination plus reasonable costs of closing the Project.
3. **Change Orders.** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will return to Client a statement (or supplemental proposal) of the change setting forth an adjustment to the Services and fees for the requested changes. Following Client's review, Client shall provide written acceptance. If Client does not follow these procedures, but instead directs, authorizes, or permits Consultant to perform changed or additional work, the Services are changed accordingly and Consultant will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.
4. **Compensation and Terms of Payment.** Client shall pay compensation for the Services performed at the fees stated in the Proposal, including but not limited to the Compensation section, unless fees are otherwise stated in Exhibit C to this Agreement (which section or Exhibit is incorporated into this Agreement). If not stated in either, fees will be according to Consultant's current fee schedule. Fee schedules are valid for the calendar year in which they are issued. Fees do not include sales tax. Client will pay applicable sales tax as required by law. Consultant may invoice Client at least monthly and payment is due upon receipt of invoice. Client shall notify Consultant in writing, at the address below, within 15 days of the date of the invoice if Client objects to any portion of the charges on the invoice, and shall promptly pay the undisputed portion. Client shall pay a finance fee of 1.5% per month, but not exceeding the maximum rate allowed by law, for all unpaid amounts 30 days or older. Client agrees to pay all collection-related costs that Consultant incurs, including attorney fees. Consultant may suspend Services for lack of timely payment. It is the responsibility of Client to determine whether federal, state, or local prevailing wage requirements apply and to notify Consultant if prevailing wages apply. If it is later determined that prevailing wages apply, and Consultant was not previously notified by Client, Client agrees to pay the prevailing wage from that point forward, as well as a retroactive payment adjustment to bring previously paid amounts in line with prevailing wages. Client also agrees to defend, indemnify, and hold harmless Consultant from any alleged violations made by any governmental agency regulating prevailing wage activity for failing to pay prevailing wages, including the payment of any fines or penalties.
5. **Third Party Reliance.** This Agreement and the Services provided are for Consultant and Client's sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties other than those who have executed Consultant's reliance agreement, subject to the prior approval of Consultant and Client.
6. **LIMITATION OF LIABILITY. CLIENT AND CONSULTANT HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING CONSULTANT'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE ASSOCIATED RISKS. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF CONSULTANT (AND ITS RELATED CORPORATIONS AND EMPLOYEES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF \$50,000 OR CONSULTANT'S FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF CONSULTANT'S SERVICES OR THIS AGREEMENT. PRIOR TO ACCEPTANCE OF THIS AGREEMENT AND UPON WRITTEN REQUEST FROM CLIENT, CONSULTANT MAY NEGOTIATE A HIGHER LIMITATION FOR ADDITIONAL CONSIDERATION IN THE FORM OF A SURCHARGE TO BE ADDED TO THE AMOUNT STATED IN THE COMPENSATION SECTION OF THE PROPOSAL. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE PROFESSIONAL LIABILITY INSURANCE COVERAGE, CAUSE(S), OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THE DAMAGE IS PAID UNDER CONSULTANT'S COMMERCIAL GENERAL LIABILITY POLICY.**
7. **Indemnity/Statute of Limitations.** Consultant and Client shall indemnify and hold harmless the other and their respective employees from and against legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused by their negligent acts, errors, or omissions. In the event such claims, losses, damages, or expenses are legally determined to be caused by the joint or concurrent negligence of Consultant and Client, they shall be borne by each party in proportion to its own negligence under comparative fault principles. Neither party shall have a duty to defend the other party, and no duty to defend is hereby created by this indemnity provision and such duty is explicitly waived under this Agreement. Causes of action arising out of Consultant's Services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity or other recovery shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of Consultant's substantial completion of Services on the project.
8. **Warranty.** Consultant will perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. **EXCEPT FOR THE STANDARD OF CARE PREVIOUSLY STATED, CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
9. **Insurance.** Consultant represents that it now carries, and will continue to carry: (i) workers' compensation insurance in accordance with the laws of the states having jurisdiction over Consultant's employees who are engaged in the Services, and employer's liability insurance (\$1,000,000); (ii) commercial general liability insurance (\$2,000,000 occ / \$4,000,000 agg); (iii) automobile liability insurance (\$2,000,000 B.I. and P.D. combined single limit); (iv) umbrella liability (\$5,000,000 occ / agg); and (v) professional liability insurance (\$1,000,000 claim / agg). Certificates of insurance will be

provided upon request. Client and Consultant shall waive subrogation against the other party on all general liability and property coverage. Client and Owner are additional insured with respect to general and auto liability.

10. **CONSEQUENTIAL DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE; LOSS OF USE OR OPPORTUNITY; LOSS OF GOOD WILL; COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES; COST OF CAPITAL; OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.**
11. **Dispute Resolution.** Client shall not be entitled to assert a Claim against Consultant based on any theory of professional negligence unless and until Client has obtained the written opinion from a registered, independent, and reputable engineer, architect, or geologist that Consultant has violated the standard of care applicable to Consultant's performance of the Services. Client shall provide this opinion to Consultant and the parties shall endeavor to resolve the dispute within 30 days, after which Client may pursue its remedies at law. This Agreement shall be governed by and construed according to Virginia law.
12. **Subsurface Explorations.** Subsurface conditions throughout the site may vary from those depicted on logs of discrete borings, test pits, or other exploratory services. Client understands Consultant's layout of boring and test locations is approximate and that Consultant may deviate a reasonable distance from those locations. Consultant will take reasonable precautions to reduce damage to the site when performing Services; however, Client accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless specifically included in the Services.
13. **Testing and Observations.** Client understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Consultant will provide test results and opinions based on tests and field observations only for the work tested. Client understands that testing and observation are not continuous or exhaustive, and are conducted to reduce - not eliminate - project risk. Client shall cause all tests and inspections of the site, materials, and Services performed by Consultant to be timely and properly scheduled in order for the Services to be performed in accordance with the plans, specifications, contract documents, and Consultant's recommendations. No claims for loss or damage or injury shall be brought against Consultant by Client or any third party unless all tests and inspections have been so performed and Consultant's recommendations have been followed. Unless otherwise stated in the Proposal, Client assumes sole responsibility for determining whether the quantity and the nature of Services ordered by Client is adequate and sufficient for Client's intended purpose. Client is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling Consultant so Consultant can perform these Services. Consultant is not responsible for damages caused by Services not performed due to a failure to request or schedule Consultant's Services. Consultant shall not be responsible for the quality and completeness of Client's contractor's work or their adherence to the project documents, and Consultant's performance of testing and observation services shall not relieve Client's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Consultant will not supervise or direct the work performed by Client's contractor or its subcontractors and is not responsible for their means and methods. The extension of unit prices with quantities to establish a total estimated cost does not guarantee a maximum cost to complete the Services. The quantities, when given, are estimates based on contract documents and schedules made available at the time of the Proposal. Since schedule, performance, production, and charges are directed and/or controlled by others, any quantity extensions must be considered as estimated and not a guarantee of maximum cost.
14. **Sample Disposition, Affected Materials, and Indemnity.** Samples are consumed in testing or disposed of upon completion of the testing procedures (unless stated otherwise in the Services). Client shall furnish or cause to be furnished to Consultant all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials ("Affected Materials") at or near the site, and shall immediately transmit new, updated, or revised information as it becomes available. Client agrees that Consultant is not responsible for the disposition of Affected Materials unless specifically provided in the Services, and that Client is responsible for directing such disposition. In no event shall Consultant be required to sign a hazardous waste manifest or take title to any Affected Materials. Client shall have the obligation to make all spill or release notifications to appropriate governmental agencies. The Client agrees that Consultant neither created nor contributed to the creation or existence of any Affected Materials conditions at the site and Consultant shall not be responsible for any claims, losses, or damages allegedly arising out of Consultant's performance of Services hereunder, or for any claims against Consultant as a generator, disposer, or arranger of Affected Materials under federal, state, or local law or ordinance.
15. **Ownership of Documents.** Work product, such as reports, logs, data, notes, or calculations, prepared by Consultant shall remain Consultant's property. Proprietary concepts, systems, and ideas developed during performance of the Services shall remain the sole property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices.
16. **Utilities.** Unless otherwise stated in the Proposal, Client shall provide the location and/or arrange for the marking of private utilities and subterranean structures. Consultant shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Consultant shall not be responsible for damage to subterranean structures or utilities that are not called to Consultant's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to Consultant.
17. **Site Access and Safety.** Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any third parties, including Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to unsafe site conditions. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes.

Consultant: Terracon Consultants, Inc.

Client: HBA Architecture & Interior Design Inc

By:  Date: 6/19/2026

By: _____ Date: _____

Name/Title: D. Mark Scholefield, P.E. / Vice President

Name/Title: David Smith / Principal

Address: 5465 Greenwich Rd
Virginia Beach, VA 23462

Address: One Columbus Center Ste 1000
Virginia Beach, VA 23462

Phone: (757) 518-1703 Fax: _____

Phone: (757) 490-9048 Fax: _____

Email: Mark.Scholefield@terracon.com

Email: davids@hbaonline.com

Change Order No. 11

This is **Change Order No. 11** to the **Agreement** dated September 17, 2021, between the **Town of Cape Charles** (Owner) and **HBA** (Contractor) for **Architectural Services**.

Scope of Work: Provide Municipal Building construction phase services in accordance with HBA proposal of June 26, 2026.

Price: The lump sum price of the work is increased by \$141,504.25.

All other provisions of the Agreement and contract documents remain unchanged.

Owner

Contractor

Date

Date

	Agenda Title:	Agenda Date:
	Town Harbor Engineering Services	July 16, 2026
	Subject/Proposal/Request:	
	Authorize Contract Assignment	
Town of Cape Charles	Attachments:	For Council:
	None	Action: X Information:
	Staff Contact(s):	Reviewed by:
	Bob Panek, Project Manager	Rick Keuroglan, Town Manager

Background:

The Town has a contract with Langley & McDonald, Inc. (L&M) for Town Harbor engineering services. L&M has provided design and engineering for several major harbor improvements over the years: offshore breakwaters, outer harbor floating docks, inshore breakwater, inner harbor bulkhead rehabilitation. They have also provided master planning, wave modeling and capital asset evaluation studies.

Item Specifics:

The FY 2027 budget includes funding to complete the design and engineering to replace the inner harbor fixed pier with a floating dock. Construction is included in the Capital Improvement Plan for FY 2028. We plan to submit an Aid to Local Ports grant request to the Virginia Port Authority in March 2027 to assist with funding the construction project.

L&M's principal, Tom Langley, is winding down the business and not accepting additional task orders. L&M has utilized McPherson Design Group, Inc. (MDG) as the structural engineering subconsultant on several projects, e.g., inshore breakwater and bulkhead rehabilitation, as well as the initial design effort for inner harbor improvements such as the proposed floating dock. Assignment of the contract to MDG would allow completion of the floating dock design and engineering in an expeditious manner and position us for submission of the grant application next spring. MDG is a full-service design and engineering firm. Both parties are amenable to the contract assignment.

The Town Manager has approval authority for award of professional services contracts not to exceed \$30,000. This project and future improvements will exceed that amount.

Recommendation:

Authorize the Town Manager to assign the engineering services contract for harbor improvements from Langley & McDonald, Inc. to McPherson Design Group, Inc.

	Agenda Title:	Agenda Date:
	Changing the Day of Future Town Council Meetings	July 16, 2026
	Subject/Proposal/Request:	
	Consideration of Resolution No. 20260716 changing the day of future Town Council meetings	
Town of Cape Charles	Attachments:	For Council:
	Resolution 20260716	Action: X Information:
	Staff Contact(s):	Reviewed by:
	Libby Hume, Town Clerk	Rick Keuroglan, Town Manager

Background:

The Cape Charles Town Council currently conducts its meetings on Thursdays. The regular meeting is held on the third Thursday of each month, and the first Thursday of each month is reserved for work sessions or other meetings as needed.

Item Specifics:

Due to scheduling issues, it was suggested to move all Council meetings to Wednesdays, the first Wednesday for work sessions, etc., and the third Wednesday for regular meetings.

Section 15.2-1416 of the Code of Virginia authorizes local governing bodies to establish and change the dates of their regular meetings by adoption of a resolution. The resolution must be posted on the door of the meeting location and published in a local newspaper at least seven days prior to the new meeting date.

Recommendation:

Staff requests Council discussion, and if deemed appropriate, adoption of Resolution No. 20260716 Changing the Regular Meeting Day of the Cape Charles Town Council and also changing the standing meeting day to the first Wednesday of each month.

RESOLUTION 20260716
CHANGING THE REGULAR MEETING DAY
OF THE CAPE CHARLES TOWN COUNCIL

WHEREAS, the Cape Charles Town Council currently conducts its regular meetings on the third Thursday of each month beginning at 6:00 PM; and

WHEREAS, the Town Council has determined that changing the regular meeting day from the third Thursday to the third Wednesday of each month will better accommodate scheduling needs; and

WHEREAS, § 15.2-1416 of the Code of Virginia authorized local governing bodies to establish and change the dates of their regular meeting by adoption of a resolution and posting of the resolution on the door of the meeting location and in a newspaper at least seven days prior to the new meeting date; now

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Cape Charles, Virginia, that, effective immediately, the regular meetings of the Town Council shall be held on the third Wednesday of each month beginning at 6:00 PM, unless otherwise changed in accordance with applicable law.

Adopted by the Town Council of the Town of Cape Charles on July 16, 2026.

By: _____
Mayor Adam Charney

ATTEST:

Town Clerk