

**Town of Onancock  
Town Council Meeting  
Monday, December 16, 2024  
7:00 PM**

- 1) **Call to order and roll call:** Mayor Fosque called the meeting to order at 7:00 PM and roll was called. Councilmembers Lisa Fiege, Cindy Holdren, Joy Marino, Sarah Nock, Maphis Oswald, Paul Weitzel and Mayor Fletcher Fosque were present. Town Manager Matt Spuck and Town Clerk Debbie Caton were also present.
- 2) **Pledge of Allegiance**
- 3) **Approve Minutes from November 18, 2024, meeting** – Councilmember Marino moved to approve the meeting minutes. Councilmember Oswald seconded the motion. The motion passed with a 6-0 vote.
- 4) **Public Hearing – None Scheduled**
- 5) **Public Presentation**
  - a. **CBES (Citizens for a Better Eastern Shore) – Between the Shores** – Donna Bozza, Executive Director presented the Town Council with a final revenue report on the Between the Shores Bike Tour held Saturday, October 26, 2024. The bike tour was a sold-out event and successful. See attached report for more details.
- 6) **Council Action**
  - a. **Vote on Onancock Main Street Lease** – Town Manager Spuck explained the proposed lease between The Town of Onancock and Onancock Main Street (OMS) to rent office space at the Welcome Center (38 Market Street) was reviewed by Eric Gregory with Hefty, Wiley, and Gore. The lease is approved from a legality standpoint. Councilmember Holdren moved to approve the lease agreement with Onancock Main Street. Councilmember Nock seconded the motion. Council discussion ensued.
    - Councilmember Oswald is surprised the town council would accept the lease as written without any question about several points. She stated a three-year lease term is not warranted. Her suggestion was to sign a one-year lease agreement with subsequent years to follow if desired by both parties. Councilmember Oswald stated she does not agree with \$1/year lease payment. At minimum, the lease payment should be what OMS paid at the Historic Onancock School (HOS) and the utilities should not be included. Councilmember Oswald does not think the lease agreement should allow for OMS to sub-lease the conference room space.

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- Councilmember Marino agrees with Councilmember Oswald but also has concerns because currently OMS does not have a program manager. She stated she would be willing to vote yes if the lease terms changed to a lease period of one year. She is also confused about the sublet clause.
- Councilmember Weitzel agrees with Councilmember Oswald and Councilmember Marino concerning the lease period being updated to a one-year term. Councilmember Weitzel stated he could support the lease with a nominal \$200 - \$300 monthly payment. He explained charging this would eliminate a negative drain on town resources as the proposed lease includes utilities.
- Councilmember Nock suspects the subletting clause was a carry-over from a previous version of the proposed lease that did not get removed in the current version. Councilmember Fiege stated OMS does not have an immediate plan to sublet or rent the conference room. If the subletting clause is a dealbreaker, OMS is willing to remove it from the proposed lease agreement. Councilmember Nock clarified the fair market value is considered an “in-kind” donation as Onancock does not provide the same level of support as other Main Street organizations across the state. This would bring OMS’ support more in line with other towns.
- Councilmember Holdren stated OMS is in process of filling the vacancy for a new program manager. She also addressed comments from other councilmembers about the \$1 lease payment per year by stating the past benefits of OMS are being ignored. OMS has brought in many more dollars than the town would have expected otherwise. This is a way to support past work like the \$1 million DCHD grant allowing development of the Lilliston building with repayments retained by the Town in a revolving load fund. In response to the discussion and with Councilmember Fiege’s agreement, Councilmember Holdren amended the original motion on the floor.

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Councilmember Holdren moved to approve the lease after omitting 17E and revising item #10. A roll call vote was taken:

Councilmember Fiege – aye  
Councilmember Holdren – aye  
Councilmember Marino – no  
Councilmember Nock – aye  
Councilmember Oswald – no  
Councilmember Weitzel – no

Mayor Fletcher Fosque voted aye to break the tie vote. The motion carried.

- b. Vote on the application for Coastal Residences to connect to town water.** – Town Manager Spuck stated the necessary presentations from all outside parties have been made per the request of the Town Council. Does Town Council approve the application as presented for Coastal Square? Councilmember Fiege moved to provide water services to Coastal Square and Residents, LLC located outside the Town of Onancock limits. Councilmember Oswald seconded the motion. A roll call vote was taken:

- Councilmember Fiege - aye
- Councilmember Holdren - aye
- Councilmember Marino - abstain
- Councilmember Nock - aye
- Councilmember Oswald - aye
- Councilmember Weitzel - aye

The motion carried.

- c. Projects to accrue for ARPA by 12/31/2024.** - Town Manager Spuck read his suggestion to Town Council about which projects to encumber for the balance of ARPA funds. See attached letter read by the Town Manager. Councilmember Weitzel moved to approve the ARPA projects as presented. Councilmember Oswald seconded the motion. The motion carried with a 6-0 vote.

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- d. **Adopt meeting schedule for calendar year 2025.** – Councilmember Fiege moved to approve the meeting schedule for 2025 as presented. Councilmember Oswald seconded the motion. After council discussion the motion was updated to change the November Town Council meeting to November 17, 2025, and update the personnel committee to quarterly meetings. The motion carried with a 5-0 vote. Councilmember Weitzel abstained as his term ends December 31, 2024.
- e. **Appoint a member of the Board of Zoning Appeals.** – Councilmember Oswald moved to recommend Mr. Dick Freeman to the Board of Zoning Appeals. Councilmember Holdren seconded the motion. The motion carried with 6-0 vote.

**7) Council discussion**

- a. **Status of School engineering report** -Town Manager Spuck explained HOS needs pricing of four construction items to help secure a loan. The four items were updating the HVAC system, updating the electrical, window replacement and roof replacement. Town Manager Spuck sent a Request for Proposal (RFP) and three firms responded to the request. Subsequently, the Town Council requested a structural engineering analysis. After the RFP was updated, the new request is for a Facility Construction Analysis (FCA) which is detailed research and recommendation for the building. Two firms backed out and the third firm stated they would need to outsource the architectural portion of the FCA. Currently, they have not provided a proposal. Town Manager Spuck asked if the Town Council still wants to pursue firms to provide a full FCA. After town council discussion, Town Manager Spuck will contact the third firm for a proposal once an architect is sourced.

**8) Committee reports**

- a. **Personnel (Cindy Holdren)** – Councilmember Holdren reported the Personnel Committee did not meet but there is a closed session scheduled after the regular meeting.
- b. **Planning Commission (Fletcher Fosque)** – Mayor Fosque reported the Planning Commission did not meet in November. Anyone interested in joining the Planning Commission can apply by January 1, 2025.
- c. **Waterfront (Fletcher Fosque)** – Mayor Fosque reported the Waterfront Committee did not meet in November.
- d. **Economic Development Authority (EDA) (Joy Marino)** – Councilmember Marino reported the EDA met in early December. Councilmember Marino will finish minutes from the meeting and forward to the Town Council. Councilmember Marino resigned from the EDA effective immediately.

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**9) Community Reports**

- a. **Onancock Main Street (OMS) (Cindy Holdren)** – Councilmember Holdren stated there is a part time position available for a Program Manager. If anyone is interested, they should reach out to Councilmember Fiege. OMS received a \$10,000 micro business grant from the Virginia Tourism Commission that will be used to promote tourism in the off season. A new logo will be revealed soon.
- b. **Historic Onancock School (HOS) (Sarah Nock)** – Councilmember Nock reported the lawn cutting contract previously provided by the town has been terminated. HOS will secure their own lawn cutting services with gratitude the town will continue to plow the parking lot if needed. HOS was pleased to be a stop on the Artisan’s Guild tour the weekend of Thanksgiving. Twelve vendors participated indoors and outdoors along with resident artist in “Christmas in Onancock” last weekend. The work to update the electrical system to accommodate additional circuits to allow for space heaters and protect the pipes has started. The search for an Executive Director will be renewed.

**10) Public Comment –**

- a. **Glenn Smith** – Mr. Smith suggested if there is an issue with the boiler at HOS, there are services available to rent commercial boilers. The contractor brings a boiler on a tractor trailer and provides the hook-up services. The new boiler would bypass the existing system. He also requested consideration for an additional police officer in the upcoming budget cycle. Mr. Smith suggested Christmas lights on all poles heading towards the Wharf.

**11) Mayor’s Report** - Mayor Fosque thanked OBCA and everyone involved in the successful “Christmas in Onancock” event held last weekend.

**12) Town Manager’s Report**

- a. **Financial** – see attached report in the town council packet.
- b. **Manager’s Report** – see attached report in the town council packet.
- c. **Police Report** – Chief Williams did not attend the meeting. See attached report in the town council packet.

**13) Town Councilmember comments –**

- a. **Councilmember Fiege** - Councilmember Fiege asked for an update on the sidewalk trees for Market Street in front of the Lilliston Building that were donated. Town Manager Spuck responded the Tree Board Committee will help with a selection when they meet again in the Spring 2025. Councilmember Fiege asked if Eric Luchansky with ANDPC could attend a meeting to answer questions about the progress of the Northeast Revitalization Project.
- b. **Councilmember Holdren** – Councilmember Holdren echoed Mayor Fosque’s gratitude for all involved in the “Christmas in Onancock” event with a particular compliment to Town Manager

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Spuck and Jake Dillon for the extra lights added to several buildings around town.

Councilmember Holdren thanked the Onancock Volunteer Fire Department for assisting with a cat rescue.

- c. **Councilmember Marino** – Councilmember Marino is happy to hear the Habitat for Humanity house is moving forward. She also agreed with Glenn Smith’s comment about an additional police officer.
- d. **Councilmember Nock** – Councilmember Nock echoed Mayor Fosque’s gratitude for all involved in the “Christmas in Onancock” event.
- e. **Councilmember Oswald** – Councilmember Oswald asked Town Manager Spuck for clarity on the billing cycle of the water/sewer bills.
- f. **Councilmember Weitzel** - Councilmember Weitzel thanked everyone for attending the meeting. Councilmember Weitzel complimented the Town Manager and his staff on their kindness, competence, and willingness to help. Councilmember Weitzel also complimented his co-council members for doing a difficult job with the best of intentions.

- 14) Closed Session** – Councilmember Fiege moved to enter closed session to discuss personnel matters as allowed by state code section 2.2-3711 (A)(1) and Real Estate matters as permitted by section 2.2-3711(A)(3). Councilmember Holdren seconded the motion. The motion passed with a 6-0 vote. Closed session started at 9:08 PM.


Councilmember Nock moved to exit closed session of this regular meeting of the Onancock Town Council and certify by roll call vote that the item discussed in Closed Session align with the purpose stated in the motion made in Open Session. Councilmember Marino seconded the motion. A roll call vote was taken:

- Councilmember Fiege – aye
- Councilmember Holdren – aye
- Councilmember Marino – aye
- Councilmember Nock – aye
- Councilmember Oswald – aye
- Councilmember Weitzel – aye
- Mayor Fosque – aye

Open session reconvened at 10:18 PM.

- 15) Adjourn** -Councilmember Oswald moved to adjourn the meeting. Councilmember Nock seconded the motion. The meeting adjourned at 10:20 PM.

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A handwritten signature in black ink, appearing to read 'Fletcher Fosque', written over a horizontal line.

Fletcher Fosque, Mayor

A handwritten signature in black ink, appearing to read 'Debbie Caton', written over a horizontal line.

Debbie Caton, Town Clerk



## **CBES 2024 Between the Waters Bike Tour Economic Impact\***

- 🚴 Restaurant/Meals Expenditures: \$29,492
- 🚴 Lodging: \$57,207
- 🚴 Shopping: \$11,532
- 🚴 Miscellaneous Expenditures: \$7,052
- 🚴 **Estimated Total Dollars Spent by BT Participants/Guests: \$511,000\*\***

*\*Based on 245 Surveys Results*

*\*\*Increase over \$350,000 in 2023*

## **KEY STATS – Sellout with 1,189 Registrants**

### Where Did Onancock Visitors Come From?

- BTW Bike Tour is a TRUE Tourism event with 89% of cyclists from off the Eastern Shore.
- 24 States plus the District of Columbia represented
- Highest number of cyclists from VA, followed by Maryland, Pennsylvania, and North Carolina

### How Long Did They Stay?

- 72% Spend 1 or more nights

### Quality of BTW Bike Tour:

- 91% cyclists said VERY LIKELY to participate in future BT
- 95% of cyclists said VERY LIKELY to recommend to Friends

### How Likely Are They to Return to the ES Because of their BT Experience?

- 89% VERY LIKELY

### Would Their Return Visit Include Onancock?

- 64% YES, 35% Maybe – Onancock made an epic impression!

The use of SLFRF (State and Local Fiscal Recovery Funds), which was a part of ARPA (American Rescue Plan), is expected to meet several purposes. The purposes listed in the Department of Treasury's Final Rule that most closely fit our needs are long-term support for small businesses and investment in outdoor spaces, such as parks and public areas, to promote a healthier outdoor lifestyle. By supporting businesses and promoting quality outdoor space, we become a healthier community, which is the core purpose of ARPA.

Onancock has managed its resources and infrastructure very well through the years, and as a result, the Town did not need to use the funds for large infrastructure programs like many small towns were forced to. The Onancock Town Council approved 23 projects to be completed using the \$1,256,432 given to us in SLFRF.

After the Treasury distributed the funds to us, the DCJS (Department of Criminal Justice Services) issued an additional ARPA grant that allowed us to re-appropriate funds set aside for two projects in the "Town" grant to the funds received by the DCJS grant (as an FYI, that was \$195k for cameras and a generator for the police station). This allowed us to continue with the resident, business, and visitor-facing projects the Council approved with less budget pressure.

The SLFRF funds must be fully encumbered by 12/31/24 and spent entirely by 12/31/26. Encumbered means set aside with a firm commitment.

A Council member and the mayor suggested that we not complete these six remaining projects and replenish the operating cash to replenish the excess costs of renovating the Welcome Center and Police Station. The Final Rule states, "No ARPA funds may be used to make deposits into any rainy-day fund or financial reserves." We used both ARPA funds and operating funds to complete the construction. The effect is that by reappropriating funds for the renovation costs, we will use ARPA funds to replenish reserves. Our practice is to transfer all operating funds not in use or needed within 60 into the Idle Cash fund, allowing operating funds not used to earn interest.

I strongly propose that we formally encumber the six remaining projects.

We have all the quotes for them, and according to both our attorney and VML, we need to issue a Purchase Order to the vendor that commits (or encumbers) the funds and meets the SLFRF requirements.

The six public-facing projects have been included in the monthly report, and management has been preparing for them since the onset of ARPA. Page 24 of your report shows we have \$208,658 remaining to spend (or encumber) by 12/31/24. As stated, we have quotes or commitments for all six. Let me describe the projects to you.

1. The **air conditioning for the second floor of the town hall** is complete and paid for reducing the amount to encumber by \$20k.
2. The **Business Façade** town grant is complete except for the Farmers Market, which received a grant commitment from the Town for signage but has not purchased it yet. I will write a commitment letter to the Market for the grant award to encumber the funds.
3. The quotes we received for the pavers at **Sunset Park** were too high to be considered reasonable. One of the bidders suggested that stamped concrete might be a better solution for the location, given the occasional flooding. The quote for stamped concrete is \$42k, and adding the remaining asphalt, sealing, and striping work totals \$51k. This is a spot that many, if not all, residents and visitors visit and take pictures of the sunset over the Creek. We designed and installed the deck boards with the grant we received for rebuilding the bulkhead. We filled the step-up gap with 57 stone until the patio was built. If this project is not done, we will have to address that. Completing this project will remove that trip hazard, give transient boaters a place to sit, and provide a dedicated space for every person enjoying our sunset.
4. Downtown Visual Improvements include a new entry sign for \$77k and benches and trash and recycling receptacles for \$6,400. The Town Council eases the financial pressure on the Queen Street project by approving this encumbrance. The Queen Street project is budgeted in this fiscal year's capital budget. By encumbering the entryway sign for the amount in CIP, the Town Council could either reduce the CIP budget for the year or reappropriate it to the Queen Street project (which could, for example, provide the first five streetlights for that area).

5. Town Square renovations include six streetlights along the sidewalks, an irrigation system, and a grass restoration. Any new plantings or beds will be funded from our existing operating budget and will receive free design support from two local experts and the Tree Board.
6. The new basketball court in the Northeast Neighborhood Park will cost more than initially set aside. Tree roots under the existing court cannot be removed, so we would turn the court 90 degrees, put down a firmer base, and put 2 inches of asphalt over it. As approved by the town council, our reserves will fund the remaining portion of the asphalt and hoops themselves.

What if the Town Council decides to follow the suggestion of the Council member and mayor, who suggested leaving these six projects undone but assured them they would be put in the CIP?

- Capital Improvement Plans (CIP) are voted on annually in the five-year CIP budget. These funds come from reserves and the town's income, mainly tax revenue.
  - Adding \$208k to our operating budget for this additional CIP would require a fifty percent increase in real estate taxes (if we only use one source of revenue for this example). Any combination of revenue sources will have the same net effect.
    - Given the town's other priorities, increasing taxes to this degree for these projects will likely never happen.
    - Having the Federal government provide debt-free money to municipalities like ours again will likely never happen.

The projects were initially approved by the Town Council and planned for since then (deck board installation, for example) and need to be encumbered by the end of this month. We have everything in place to do so.

Budgeting for ornamental streetlights and irrigation systems for a well-cared-for Town Square, adding a new and ample space for boaters, visitors, and residents to enjoy one of the most beautiful spots on the Shore, and creating an entry sign that speaks to who we are and differentiates us from any other town are not projects that find a home on most small-town operating budgets.

With these projects completed, we invite and encourage people to be outdoors in our historic district. People who spend more time outdoors are healthier than those who do not. With more people outside in our downtown area, businesses prosper. Supporting healthy living and supporting our business owners both speak to who we are.

Please authorize me to send Purchase Orders to the vendors who can make these projects a reality. Thank you.