

Belhaven Town Council
Special Called Meeting – Minutes
Wednesday, January 2, 2008

Call to Order

The Belhaven Town Council met in a Special Called Meeting on Wednesday, January 2, 2008 at 5:30 P.M. in the Council Chambers at Town Hall. Mayor Adam W. O'Neal called the meeting to order with the following Council members present: Mayor Pro-Tem, J. Nelson Guy; Steve W. Carawan, McKee (Mac) Pigott and Robert L. Stanley. Interim Town Manager Guinn Leverett and Town Clerk Marie J. Adams were also present.

Invocation and Pledge of Allegiance

Mayor O'Neal recognized Councilman Guy and asked that he give the invocation. Following the invocation by Councilman Guy, Councilman Pigott led the Pledge of Allegiance.

Purpose of Special Called Meeting

Mayor O'Neal stated that the purpose for having the meeting at 5:30 P.M. was to make the meeting available to the public should they want to attend rather than having the meeting during the day. Mayor O'Neal stated that special meetings may not always be held at 5:30 P.M.

Mayor O'Neal stated that the purpose of the meeting was to determine if the Town would join the Potentially Responsible Party (PRP) Group who has received a settlement notice from the Environmental Protection Agency (EPA). EPA filed suit on all entities which conducted business with a company (Carolina Transformer) near Fayetteville, NC who handled disposal of transformers from 1959-1986.

Mayor O'Neal called upon Public Utilities Director, Mr. Toby Woolard. Mr. Woolard further explained that the Town did not have records indicating that Carolina Transformer was used by the Town to dispose of contaminated transformers but stated that with the EPA (environmental laws are different) you are guilty until you prove your innocence. Mr. Woolard further stated that when you purchase the transformer, you own it during and after the disposal (cradle to grave).

Interim Town Manager Leverett stated that some records found from Carolina Transformer showed that there was a \$10.00 credit balance for the Town of Belhaven in the 12/31/77 records which gave EPA the only proof they needed to assume that Belhaven had Carolina Transformer to dispose of contaminated transformers.

Mayor O'Neal stated that the (PRP), should the town not decide to pay the \$20,000 to join their group could then proceed with a lawsuit against the Town.

Interim Town Manager Leverett explained to the Council that should the PRP sue the town for not joining in and paying the \$20,000 that the legal fees could total more than the \$20,000. Interim Town Manager Leverett explained that the \$20,000 fee was reduced from \$40,000 as a possible result of other PRPs joining in which help reduce the fee. Interim Town Manager Leverett explained the process used for the PRP to devise the fee of \$20,000 by stating it was based on the number of MWH purchased by the Town over

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the 1959-1986 time period and then the Towns or utility company were divided into tiers with the Town of Belhaven being a Tier 1 as a small user with Tier 2 and Tier 3 being your much larger users. Interim Town Manager Leverett explained that the Town Council needed to make a decision tonight as the deadline for informing the PRP was January 4, 2008 in order to meet the deadline for paperwork on the 15th of January 2008. The Council expressed some concern of this information of the PRP and the fees involved coming to their attention, as this information had been disseminated to parties in concern up to two years ago.

Councilman Carawan expressed some concern of not having records. Mr. Woolard stated that back when the transformers were disposed of – contamination was not known – and that virtually no one had records during that time span. Councilman Pigott asked that records be kept now and asked if the Town owned any PCB (Poly Chlorinated Biphenyls).

Mr. Woolard stated that records are kept and that there are no PCB contaminated transformers in the town's ownership.

Councilman Stanley stated that he understood the ownership and responsibility of the transformer belonging to the originator as he has handled similar contaminants in his former career.

Motion to Join PRP

Upon much consideration, Councilman Guy made the motion for the Town to join the PRP with the issue of Carolina Transformer for \$20,000 and that the Interim Town Manager Mr. Leverett negotiate the fee, if at all possible, to reduce the payment by the deadline of January 4, 2008 and to inform the PRP that should there be any reductions in the future to please disburse the refund to the Town. Councilman Stanley seconded the motion. The motion carried 3 to 1 with Councilman Stanley then voting against the motion.

Adjournment

There being no further business, Mayor O'Neal declared the meeting adjourned at 6:06 P.M.

Respectfully submitted,

Marie J. Adams, CMC
Town Clerk