

**Belhaven Town Council**  
**DRAFT Minutes – January 8, 2007**  
**Public Hearing/Regular Session**

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**Call to Order/Invocation/Pledge of Allegiance**

The Belhaven Town Council met in regular session and public hearing on Monday, January 9, 2007 at the Boyette Civic Center at 257 West Pungo Street. Mayor Adam W. O'Neal, Mayor, called the meeting to order at 7:03 P.M. with the following Council members present: Albert Baker, Dr. Charles O. Boyette, Steve W. Carawan, George R. Ebron, Jr., Mayor Pro-Tem and Cynthia M. Heath. Town Manager Tim M. Johnson, Town Attorney Keith B. Mason and Town Clerk Marie J. Adams were also present. Mayor O'Neal introduced Mr. Amos Wilson, Minister of Mt. Olive Pentecostal Holiness Church who gave the invocation and lead the audience in the Pledge of Allegiance.

**Public Hearing – Community Development Block Grant – Community Revitalization (CDBG-CR) Application**

Mayor O'Neal stated that the town was applying for a Community Development Block Grant – Community Revitalization (CDBG-CR). Mayor O'Neal called the public hearing to order at 7:05 P.M. and recognized and introduced Mr. Reed Whitesell. Mr. Whitesell is the grant writer with Holland Consulting Planners, Inc. who has written the grant application. Mr. Whitesell stated that the total grant request was for \$750,000 which was proposed as a C-1 target area located on two locations on West Pantego Street and on the corner of Pantego and Harbinger Street area. Mr. Whitesell stated that street improvements were proposed for Harbinger Street and suggested that the Town commit \$35,000 over two fiscal years to make the grant application more competitive. Mr. Whitesell stated that these funds would be spent on improvements made to streets or sewer lines, legal expenses or inspections and not on individual homes for repairs or replacement. Mayor O'Neal questioned if Mr. Whitesell was writing the grant application. Mr. Whitesell that that yes, he was writing the grant application. Mayor O'Neal questioned what amount of funds most towns contributed. Mr. Whitesell stated that Windsor had made an application and were contributing \$50,000 of town funds. Mr. Whitesell clarified that amount of contribution by stating that Windsor had a larger tax base. Mayor O'Neal questioned the reason for choosing this area in the grant application. Mr. Whitesell stated that two years ago application had been made on this same general area and that the area was in much need at that time. Mayor O'Neal asked if the grant application was successful would the town contribute any of the \$750,000. Mr. Whitesell stated, no. Mr. Mac Pigott, resident of Lamont Street, questioned if the \$35,000 the town was contributing was contingent upon receipt of grant. Mr. Whitesell stated, yes. Councilman Carawan asked if this grant application was the same one, which the Town had discussed approximately a month ago. Mr. Whitesell stated, yes. There being no further comments concerning the public hearing, Mayor O'Neal declared the public hearing adjourned at 7:15 P.M.

Mayor O'Neal referenced a statement in the newspaper from Town Manager Johnson that stated that the town had not been funded for this grant previously because of the Mayor's questions and concerns to the state. Mayor O'Neal then questioned Mr. Whitesell, if the comments/questions he (the Mayor) made were the reason the Town was not being funded. Mr. Whitesell responded emphatically and stated absolutely not. Mr. Whitesell stated that the previous grant applications had shown more need. Mr. Whitesell did state that the previous grant application the town was contributing \$25,000 and he felt that the

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application would be more competitive with the town's current contribution in the application of \$35,000.

Town Johnson stated that in scoring the grant applications, the people scoring look at potential and past problems, and in previous grants the town has had clean audits at the time of closeout, with no infractions. Town Manager Johnson stated that negative comments can affect you when you apply for grants. Mr. Whitesell agreed with that comment.

**Approval of Minutes – Regular Session – December 11, 2006**

Mayor O'Neal stated that the minutes of the regular session of December 11, 2006 were open for review and approval. Councilman Baker made the motion that the minutes of the December 11, 2006 meeting be approved with any needed corrections. Councilman Boyette seconded the motion. Mayor O'Neal stated the following corrections were necessary to the minutes of December 11, 2007: that page 7, under Mayor's Comments, CDBH was referred to as "non-profit" that should be changed to "for profit"; and that in reference to Wynne View, it was stated that \$350,000 grant was received, when it should have been stated that "\$485,000, grant was received". The motion carried unanimously.

**Resolution of Local Commitment and Signatory Approval of Community Development Block Grant (CDBG) Grant Application**

Mayor O'Neal stated that the Council needed to adopt the resolution setting the town's local commitment of \$35,000 for the grant approving signatories for the execution of the documents. Councilman Boyette made the motion approving the following resolution. Councilman Baker seconded the motion which carried unanimously.

**Town of Belhaven**  
**FY07 CDBG Community Revitalization Application**

**Resolution of Local Commitment and Signatory**

WHEREAS, the Town of Belhaven wishes to demonstrate local support for its proposed FY07 CDBG Community Revitalization application; and

WHEREAS, the town wishes to submit a competitive application to the Division of Community Assistance;

NOW, THEREFORE, the Belhaven Town Council hereby resolves to commit \$35,000 in unrestricted local revenues to the FY07 CDGB Community Revitalization project if funded. These funds will be disbursed at the discretion of the Town Council during the FY07-08 and FY08-09 budget years. Local funds will be budgeted for housing activities or public works improvements by the town's planning consultant, based on the use that will provide the most competitive application. The Belhaven Town Council also authorizes the Belhaven Town Manager to submit the CDBG-CR application to the North

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Carolina Division of Community Assistance, and authorizes the mayor to execute all signatory pages required for submittal of the application.

RESOLVED this the 8<sup>th</sup> day of January, 2007.

\_\_\_\_\_  
Adam W. O’Neal, Mayor

ATTEST:

Marie J. Adams

**Budget Amendment #7 Reduction of Electric Rates**

Mayor O’Neal stated that the budget amendment needed to be adopted to reflect the adoption of the reduction in electric rates. Councilman Carawan made the motion to adopt the following budget amendment:

Budget Amendment #7 – Decrease revenue account 31-371-000 (Charges for Electricity) by \$13,985; from \$2,797,077 to \$2,783,092; and decrease revenue account 31-375-000 (Penalties) by \$138 from \$27,500 to \$27,362; and decrease expenditure account 31-832-048 (Purchases for Resale-Electricity) by \$14,123 from \$1,908,296 to \$1,894,173.

Councilman Baker seconded the motion which carried unanimously.

**Revised Fee Schedule to Reflect Electric Rate Increase**

Mayor O’Neal stated that the new fee schedule should be adopted to reflect the decrease of 1% in electric rates effective February 1, 2007. Councilman Ebron made the motion to adopt the new fee scheduled. Councilwoman Heath seconded the motion which carried unanimously.

**TOWN OF BELHAVEN**  
**FEE SCHEDULE**

**FEB. 1, 2007**

**ELECTRIC RATES**

(All electric rates subject to applicable state sales tax of 3%)

**RESIDENTIAL**

MINIMUM BILL	0-74 kWh	\$ 9.97
ENERGY CHARGE	OVER 74 kWh	\$ .133812 per kWh

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3-PHASE RESIDENTIAL kWh charge \$ 42.28 in addition to

**SMALL COMMERCIAL**

SINGLE PHASE MINIMUM BILL	0-51 kWh	\$ 10.41
ENERGY CHARGE	52 – 750 kWh/MONTH	\$ .204040 per kWh
	751 – 1500 kWh/MONTH	\$ .140412 per kWh
	OVER 1500 kWh/MONTH	\$ .095386 per kWh

MULTI PHASE MINIMUM BILL	0-172 kWh	\$ 35.10
ENERGY CHARGE	173– 750 kWh/MONTH	\$ .204040 per kWh
	751 – 1500 kWh/MONTH	\$ .140412 per kWh
	OVER 1500 kWh/MONTH	\$ .095386 per kWh

**DEMAND SERVICE**

THIS SCHEDULE IS APPLICABLE TO ANY NON-RESIDENTIAL ACCOUNT WHOSE DEMAND EQUALS OR EXCEEDS 20 kW FOR ONE MONTH

DEMAND CHARGE – ALL kW	\$ 19.7126	per kW
ENERGY CHARGE – ALL kWh	\$ .073548	per kWh

**DETERMINATION OF BILLING DEMAND:**

1. THE HIGHEST kW MEASURE IN ANY 15 MINUTE INTERVAL DURING THE CURRENT BILLING MONTH.
2. ANY DEMAND ACCOUNT WITH A HISTORICAL (12) CONSECUTIVE MONTHS OF USAGE THAT DOES NOT WARRANT DEMAND BILLING, MAY REQUEST TO BE GIVEN CONSIDERATION FOR REMOVAL OR AT THE TOWNS DISCRETION MAY BE REMOVED FROM THE DEMAND SCHEDULE

**SECURITY LIGHTS – (\$30.30 INSTALLATION FEE) \$ 12.43 per MONTH**

**WATER AND SEWER RATES**

WATER RATES	0 – 3,000 GALLONS	\$24.60 (MIN BILL)
OVER	3,000 GALLONS	\$ 6.02 per 1000

**SEWER RATES – BASED ON WATER CONSUMPTION**

FIRST	0 – 3,000 GALLONS	\$29.26 (MIN BILL)
OVER	3,000 GALLONS	\$ 7.15 per 1000

SEWER RATE IS 119% OF WATER CHARGE

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**GARBAGE COLLECTION**

**(ONE PICK-UP PER WEEK)**

	Charge	fill	FEES
RESIDENTIAL (IN-TOWN)	\$ 8.75	None	\$ 8.75
RESIDENTIAL (OUT-OF-TOWN)	\$ 9.25	None	\$ 9.25
COMMERCIAL (SMALL)	\$11.25	None	\$11.25

**COMMERCIAL (DUMPSTERS)**

**(ONE PICK-UP PER WEEK)**

2 YARD CONTAINER	\$15.73	\$18.15	\$33.88
4 YARD CONTAINER	\$20.57	\$36.30	\$56.87
6 YARD CONTAINER	\$29.04	\$54.45	\$83.49
8 YARD CONTAINER	\$37.51	\$72.60	\$110.11

**COMMERCIAL (DUMPSTERS)**

**(TWO PICK-UPS PER WEEK)**

2 YARD CONTAINER	\$26.62	\$36.30	\$62.92
4 YARD CONTAINER	\$27.39	\$72.60	\$99.99
6 YARD CONTAINER	\$38.60	\$108.90	\$147.50
8 YARD CONTAINER	\$49.81	\$145.20	\$195.01

**DUMPSTER (EXTRA PICK-UP)**

2 YARD CONTAINER	\$30.25	\$ 8.47	\$38.72
4 YARD CONTAINER	\$30.25	\$14.52	\$44.77
6 YARD CONTAINER	\$44.77	\$21.78	\$66.55
8 YARD CONTAINER	\$48.40	\$29.04	\$77.44

For those customers needing an extra cart, there will be an additional charge per month.

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**Former Belhaven Fish & Oyster Property Deed and Final Approval**

Mayor O'Neal stated that the Council had been given a copy of the deed for the proposed sale of the former Belhaven Fish & Oyster property. Mayor O'Neal asked Town Attorney Mason were there any changes on the deed. Attorney Mason stated there were changes. The first change was on the second page in the legal description. Attorney Mason clarified that the statement was changed from "as map attached" to "said map being recorded in Book 1165, page 250, Beaufort County Registry". Attorney Mason stated that the second change was the date of the deed instead of December 2006 the date is January 2007.

Attorney Mason further explained that the 65'x85' portion of property on the street side of this same property was to be deeded back to the Town for public use. Attorney Mason stated that there was no information in the deed pertaining to the property being deeded back. For further information, Attorney Mason reminded the Council that the 65'x85' piece of property was needed when the water retention area was formulated for the proposed development. There was some discussion from the Council concerning the deeding back to the town the 65'x85' piece of property. Attorney Mason stated to insure that this property is deeded back to the Town the specifics could be stated in the motion of conveying the property back to the town before the deed is delivered. Town Manager Johnson stated while the 65'x85' is on the developer's deed they will be paying the taxes until it is conveyed back to the Town. Town Manager Johnson clarified that he could not foresee the developer holding that specific piece of property any longer than necessary due to this fact (paying taxes). Councilman Boyette made the motion that the deed transferring the (former Belhaven Fish & Oyster) property be approved and that the Mayor and Clerk execute the deed on behalf of the Town and that the 65'x85' piece of property be deeded back to the town within three years, before said deed is delivered to Dixon and Hoyle. Councilwoman Heath seconded the motion, which carried unanimously.

**Town Manager's Report**

Town Manager Johnson briefed the Council on the following: 1) Mr. Walter Williams, Owner of Trade/WilcoHess has just acquired the former Red Apple Convenience Store and wishes to only have one deposit for two businesses. Mr. Williams' letter states that he already has a deposit on the existing Trade/WilcoHess convenience store. Town Manager Johnson stated that a bond could be instated instead of a deposit if Mr. Williams desired. Councilman Carawan questioned the amount of the deposit required. Town Manager Johnson stated that he would estimate the deposit to be between \$3,000 and \$4,000 for that type/size of business. 2) Ms. Linda Wilkerson who was an appointee to the flood advisory committee has resigned due to personal reasons; stated that Councilwoman Heath had made that appointment so that she would need to make another appointment. 3) announced that Mr. Carroll Herring, Public Works Director has submitted his notice of retirement for June 1, 2007 after twenty-one years of service with

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the town; and 4) Town Attorney Mason has merged his practice and now will be known as Mason and Jones, they will have a rate schedule for the next meeting.

**Other Business:**

**Vote of No Confidence for Mayor O'Neal**

Councilman Boyette stated that with the pending court case in which Mayor O'Neal has filed against Town Manager Johnson, Town Clerk Adams, himself, Councilmen Baker and Ebron and Councilwoman Heath; involves the reason of grave concern for the Council named, employees named and the people of Belhaven. Councilman Boyette further stated that the Council is appalled at the Mayor's lack of leadership and gross misuse and abuse of the Office of the Mayor. Councilman Boyette stated there has been a gross misuse and abuse office of the Mayor, creating confusion, discord and loss of credibility and reputability for the Town and all its' people.

Councilmanwoman Heath stated that it grieves her to come to this point; but the Town has spent many months reducing the fund balance transfers– asked what makes the town work – services are provided – Mayor sent letters to state agencies complaining – Mayor stated that the town budget should be cut by 5% but never gave any direction as to where to cut the budget 5%; stated that the Budget and Fiscal Control Act set guidelines for town's in the 1970's and the transfer of funds was permitted; Councilwoman Heath stated that there had been no effort to work together ( Mayor with the Town Manager). Councilwoman Heath also referenced a bible verse by stating divided we (the town) can not stand. Councilwoman Heath further stated that the Mayor served a public records lawsuit the day after he turned over public records that he had never shared with the town, that were in his possession.

Councilman Carawan stated that he would like to speak in the Mayor's defense. Councilman Carawan stated that he was naive to think that he (speaking of himself) could make a difference, everything is 4 – 1. No one will give the Mayor the time of day, it is a frustrating job trying to do what is right; the Mayor has got the meetings recorded so that everything can get out in the open and let the people have a say.

Councilman Baker stated that beginning the New Year he hoped that the Council could improve with harmony and take care of business and hoped that the Mayor would have more respect for town employees; the conflict between the Mayor and Manager, the Mayor needs to bury the hatchet; the Mayor exhibits public criticism of the Town Clerk and Town Attorney. Mr. Baker stated that Town Clerk Adams does a good job and that Attorney Mason is one of the finest men he has every known. Councilman Baker also stated that the Mayor publicly criticized the auditor along with Councilman Carawan, which was not deserved. Councilman Baker further stated that the Mayor would bring items for discussion at Council meetings with no background information, would rule Council members trying to speak "out of order"; the Mayor has literally thrown papers at the Council members and especially shown disrespect for Councilwoman Heath. Councilman Baker stated that things needed to improve on these issues, to avoid discord and conflict.

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Councilman Ebron stated that the Mayor should provide information for items that he wants to discuss; it would make a better working relationship. Councilman Ebron stated that there was some improvement in working relationships between the Mayor and Council. Councilman Ebron stated that Council members “have been shot down” with the gavel and that the Council members want respect. Councilman Ebron also pointed out to the Mayor that things should be said to motivate people and that things should not be done to make the town look bad.

Councilman Boyette was recognized and stated that the Town should not be made fun of in a public meeting by the Mayor. Councilman Boyette explained that the Mayor had attended a public meeting within the County and made negative comments concerning the Council working together and voting on issues and the insufficiency of the town staff. Councilman Boyette stated that there is a stalemate in development and projects and that progress should start on the Ebron Industrial Park and the Downtown Revitalization and that the momentum has been lost on the waterfront development. Councilman Boyette stated that the town did not need to lose any more credibility.

Mayor O’Neal stated that he appreciated the comments and just wished that they were true as there has been misrepresentation from the “Boyette Machine”. Mayor O’Neal stated that microphones were needed for the meetings but not approved by the Council. Mayor O’Neal stated that he had been lied to and threatened by the Town Manager. Mayor O’Neal then referenced NEBCED and the ownership of Wynne’s View by stating that the owners are the share holders not the town. Mayor O’Neal stated that the minutes of the Town are not correct. Mayor O’Neal stated that he was elected to do the people’s will, he stated that the town had been “hoodwinked” by the Town Manager with the cost allocation by stating that 5 of 10 transfers were the same percentage. Mayor O’Neal stated that he would welcome a recall vote. Mayor O’Neal stated that the Town’s budget had been misstated since 1995 and that the political machine had been going the same for thirty years. Mayor O’Neal stated that the voters need to vote for the “Boyette Machine” if you want to be told how it will be or vote for him to let you tell him “how it will be”.

Councilwoman Heath made the following comments after Mayor O’Neal’s comments: stated that utility rates in Belhaven are high but that Plymouth and Washington are now having problems financially and that Belhaven is decreasing rates; stated that the Mayor talked of saving money but wanted the Town to purchase microphones; when reviewing the definition of a machine, when the Mayor referred to the Council members as the “Boyette Machine” she was flattered; asked that when the Beaufort Hyde News quoted her to please quote her in fully and in the same context; stated that for the past thirteen months the Town has been divided.

Town Manager Johnson stated the following: that Mayor O’Neal libeled and slandered his wife and publicly called him a liar; that the Mayor admitted to holding information intentionally and that a petition was shredded which had been at his business office.

Mayor O’Neal then rehashed the requests he has made for public records beginning in August, starting with a letter to the Town Clerk.

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Councilman Boyette made the motion that the Council have a “vote of no confidence in Mayor O’Neal” with gross misuse of his position and that he wanted to establish a position on this matter. Councilwoman Heath seconded the motion. Mayor O’Neal stated that he considered it to be “a Badge of Honor” to get of vote of no confidence from the Council. Councilman Carawan voted against the motion. The motion carried 4 to 1.

**Citizens Comments**

Mayor O’Neal recognized Mr. Brian Butler of 1148 Swamp Road, Pantego; Mr. Gary Burgess of 675 Croatan Street, Belhaven; Mr. Tony Stanley, 483 California Street and Miss Tamika Palmer, 553 Edward Street. For background information, the correspondence concerning this situation is included. (Insert correspondence)

Mr. Butler stated that he was asked to coach a basketball team through Belhaven Recreation and was later told by Recreation Director, Harold Nixon, there would be no team. Mr. Butler stated that he was offended by this due to the fact that Recreation Employee Brian Stevens had contacted him to coach a team. Mr. Tony Stanley implied that the reason the children were not allowed to play was a racial issue and he was not invited to a meeting that was held for basketball recently. Town Manager Johnson stated that the children did not sign up (release forms) on time and that fees had not been paid. Town Manager Johnson suggested that he and recreation employees meet with the complainants to solve this problem. Following much discussion, Mr. Burgess stated the need for a bus to transport children for recreation football and the need for a full-size gym. Ms. Palmer stated that her children had participated in recreation sponsored programs for years and that she did not get the form to sign them up by the deadline. Councilman Carawan made a motion that the children who were supposed to be on Mr. Butler’s team be added to the teams which were already formed. Councilman Baker seconded the motion. The motion carried (unanimously) with one abstention by Councilwoman Heath. Councilwoman Heath stated that she did not vote due to the fact that this issue could have been resolved without so much emotion. Councilman Ebron stated that this should be reviewed and that a committee be appointed to resolve and keep this type of incident from reoccurring. Councilman Boyette stated that the Recreation Director, Town Manager Johnson, Councilman Baker and Mr. Butler, Mr. Stanley and Mr. Burgess meet to review the sign up procedures. Councilman Ebron made the motion that Town Manager Johnson, Recreation Director Nixon, Councilman Baker, Mr. Butler, Mr. Stanley and Mr. Burgess meet to review the conflict brought before the Council tonight. Councilwoman Heath seconded the motion which carried unanimously.

**Adjournment**

There being no further business, Councilman Ebron made the motion to adjourn. Councilwoman Heath seconded the motion which carried unanimously. The meeting adjourned at 9:00 P.M.

Respectfully submitted,  
Marie J. Adams  
Town Clerk

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