

**Belhaven Town Council
Minutes – October 12, 2009
Regular Session**

Call to Order/Invocation/Pledge of Allegiance

The Belhaven Town Council met in regular session on Monday, October 12, 2009 at 7:00 P.M. in the Boyette Civic Center at 257 W. Pungo Street. Mayor Adam W. O'Neal called the meeting to order with the following Council members present: Steve W. Carawan, J. Nelson Guy, Mayor Pro-Tem; Howard W. Moore and Robert L. Stanley. Councilman McKee "Mac" Pigott was not present at the meeting. Town Manager, Dr. Guinn Leverett, Finance Officer Mr. Kyle J. DeHaven and Town Clerk Mrs. Marie J. Adams were also present. Mayor O'Neal recognized and introduced Mr. Johnny Donnell Clark, Deacon with Hoggard's Temple Church of God in Christ who gave the invocation and led the Pledge of Allegiance. Mr. Clark asked that there be a special remembrance of Dr. J. T. Wright, who passed away earlier today.

Approval of Minutes – Regular Session – September 28, 2009

Mayor O'Neal stated that the minutes of the September 28, 2009 meeting were open for review and adoption. There being no corrections to the minutes, Councilman Carawan made the motion to adopt the minutes. Councilman Stanley seconded the motion which carried 4 to 0.

Public Comments

Mayor O'Neal recognized the following who spoke briefly: Mr. Tal Hamilton, resident of 1150 W. Pungo Street who questioned if the town's investments (CD's Certificate of Deposit) were the same now as they were reported in a an earlier meeting or was a new financial statement available.

Mayor O'Neal stated that the Town had cashed in a CD. Mayor O'Neal stated that the Town had been completing a lot of projects such as the breakwater feasibility, lobbying in Washington, DC for the breakwater with good results as having to pay no additional fees for its replacement; \$80,000 in legal fees with Turnpike which in turn saved the town millions; ditch maintenance has been performed whereas there was no ditch maintenance in the past; cut the budget significantly and diverted the proposed brand new safety center which would have cost \$2.5 million. Mayor O'Neal stated that the Town had nothing to hide and now had a real cost allocation study which was approved by the Local Government Commission and that the Town's audit would be completed in a timely manner.

Mr. Johnny Clark, resident of 485 Belhaven Square was recognized, and stated that the Hoggard's Temple Church of God in Christ was having a Pastor Appreciation Celebration on the 4th Sunday for their pastor Mr. Hoggard who had served 42 years in Belhaven. Mayor O'Neal stated that he would be attending and that Mr. Hoggard was the longest tenured pastor in Belhaven.

Beaufort County Tax Revaluation Presentation – Mr. Paul Spruill, Beaufort County Manager

Mayor O'Neal introduced Mr. Paul Spruill, Beaufort County Manager. Mr. Spruill stated that he would be giving a power point presentation on the revaluation of real property in Beaufort County. Mr. Spruill stated that the County is mandated by the state to perform

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property revaluations at least every eight years for real property. Mr. Spruill stated that during this revaluation process the County has absorbed the 33 million dollar school bond through Fiscal Year 2010-2011. Mr. Spruill also stated that the goals of the County Commissioners were to make the property revaluation increase revenue neutral by decreasing the tax rate on real property. Mr. Spruill stated that the revaluation will be based on comparative sales in the areas of revaluation. Mr. Spruill explained that the tax valuation of real property is the same for the entire eight years as that is the cycle for revaluation therefore by year two into the tax revaluation the tax payer is basically paying for only 70% of the value of the real property whereas, motor vehicles and equipment is revalued every year. Mr. Spruill explained that with by year number eight the real property tax payer is only paying 62% of the valuation of their property in taxes. Mr. Spruill stated that the average homeowner with real property not in a waterfront community or directly on the water can expect about a 10.2% increase but the homes that are on or near the water can expect a much larger increase. The new tax valuation notice will be mailed to real property owners in February 2010. (Insert Power Point Presentation)

Belhaven Missionary Baptist Church – Request for Street Closing

Mayor O'Neal stated that the Belhaven Missionary Baptist Church had sent a letter or request to close Edward Street from Main to Water Street in order to hold their annual Fall Festival on Saturday, October 31, 2009. Mayor O'Neal stated that this event has been held the past several years and has experienced no problems with the closing of the street for the event. Councilman Carawan made the motion to approve the street closing of Edward Street from Main Street to Water Street on Saturday, October 31, 2009 for the Fall Festival at the Missionary Baptist from 5:00 – 10:00 P.M. and directing Public Works director Wood to coordinate delivery and pick up of barricades. Councilman Stanley seconded the motion which carried unanimously, 4 to 0.

Recycling Review – Mr. Rob Cuthrell, David's Trash Trash Service

Mayor O'Neal recognized and introduced Mr. Rob Cuthrell with David's Trash Service, Inc. Mr. Cuthrell stated that was a ban on the disposal of plastic bottles as of October 1, 2009. Mr. Cuthrell stated that plastic bottles and other recyclables could be dropped off at several sites in Belhaven: Town Hall (Police Department), Public Works Compound, Lee Street; Municipal Building and the Charlie Smith Community House at 914 E. Main Street. Mr. Cuthrell stated that should any resident wish to have street side recycling that service would be available for \$4.50 per month. Mr. Cuthrell then explained the recycling process as all recycles are dropped off in the same container (co-mingled) where the items are separated for recycling in another process. Mr. Cuthrell gave out a flyer with the recycling information. Mr. Cuthrell stated that plastics now accepted for recycling are PETE 1 and PETE 2 which is located on the bottom of the container in a triangle shape. Mr. Cuthrell also stated that a shredding truck would be in Belhaven to shred any personal documents which residents would like to have shredded and will be located at the Wilkinson Center or First Bank from 9 A.M. to 1 P.M. Councilman Guy questioned if citizens could be penalized. Mr. Cuthrell stated that should items that should the State inspect and find recyclable items in the landfill then the items would be

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traced back from that point. Councilman Carawan stated that at some point it may not be cost effective for each household to have to drive to recycle items at the pick up points.

North Carolina Department of Transportation, Inspection of Bridges, Municipal Agreement

Mayor O’Neal stated that the Town owned the bridge on Water Street and it must be inspected according to the National Bridge Inspection Standards which mandates that bridges on public roads be inspected on a cycle, not to exceed two years. Mayor O’Neal stated that the Department of Transportation can inspect the bridge on behalf of the Town and has done so in the past several years. Mayor O’Neal stated that this bridge is in “bad shape”. Following some additional discussion, Councilman Carawan made the motion to authorize the Mayor to execute the bridge contract for the Department of Transportation to inspect the bridge on the Town of Belhaven’s behalf. Councilman Guy seconded the motion which carried unanimously, 4 to 0.

Recreation Advisory Committee Report and Possible Appointments

Mayor O’Neal recognized and introduced Mr. Chad Bond, Chairman of the Belhaven Recreation Advisory Committee. Mr. Bond gave an update concerning the ongoing projects of the Recreation Advisory Committee: girls new softball field; have block donated for dugouts – work progressing; want to establish a parking lot at the Multi-Purpose Building; plan to offer soccer next year; working on a grant for a gymnasium; have volunteer to promote, solicit donations and have signs printed and installed on the ball fence to sponsor little league and plan to control the funds for this fundraiser. Mr. Bond also reported that two appointments needed to be made to the advisory committee as Mrs. Lindsay Hubers, an in-town member with a terms expired 3-2010, has resigned due to a conflict in schedules and Mr. Brian Butler, an out of town member, with a term expiring 3-2011, has not attended several meetings and his position needs to be replaced. Mr. Bond stated that Mrs. Sonya Midgette and Mrs. Rose Marie Balance have both agreed to serve, if appointed, to fill the Hubers position and Mr. Danny Marslender has agreed to serve, if appointed, to fill the Butler position. Mayor O’Neal thanked Mr. Bond for his presentation and work on the Recreation Advisory Commission and stated that the names for appointment would be considered at the next Town Council Meeting.

Out of Town Sewer Update – Mayor O’Neal

Mayor O’Neal stated that the Town had reached an agreement with Linear Bay (Turnpike) for the lawsuit over the sewer extension to the property located about 22 miles south of Belhaven. Mayor O’Neal stated that he gave credit to Turnpike for reaching an agreement that both parties could be satisfied with. Mayor O’Neal stated that this administration has saved the citizens millions of dollars by not abiding by the Boyette/Johnson agreement which was entered into during the last administration. Mayor O’Neal commended the present administration on their willingness to pursue the legal suite on behalf of the citizens. Mayor O’Neal stated that he was going to present a power point presentation and that the information was obtained from the Town’s Engineer, Mr. Gary Hartong with The Wooten Company, not compiled by the Town Manager, Finance Officer or himself. Mayor O’Neal stated that with the Boyette/Johnson agreement it

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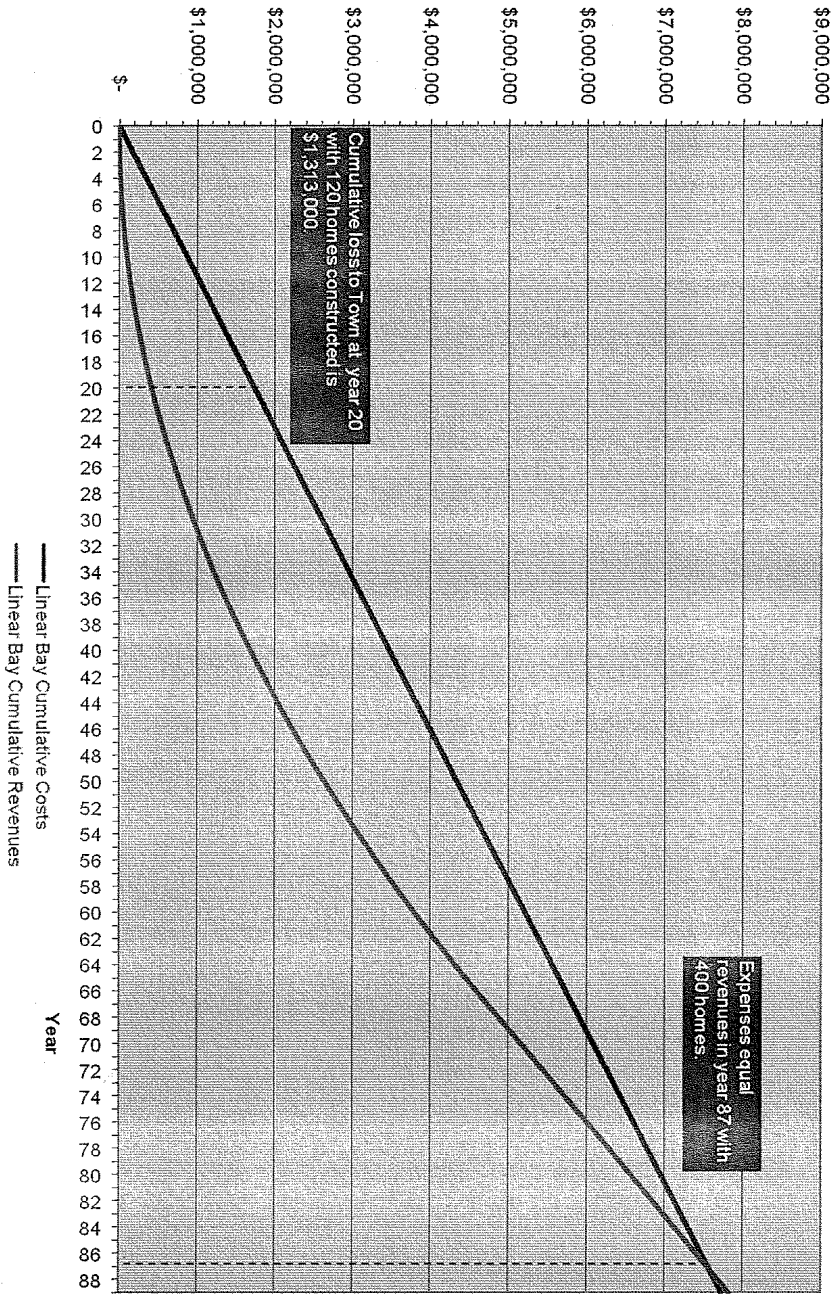
would take eighty-seven (87) years for the Town to breakeven and with the new agreement breakeven point could be two years, seven months and included \$495,000 impact fee, twice the rate for sewer, as in-town customers.; \$2,500 tap fee with the sale of each lot and an \$11.00 monthly stand-by fee.

Boyette/Johnson Agreement

- Initial Impact fee of \$495,000.00
- In town sewer rates charged out of town
- No tap-fee requirements for new users
- No standby fee
- No requirement for new users to use our system
- Town not a direct beneficiary of the construction bond of Turnpike

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Breakeven Point in year 87



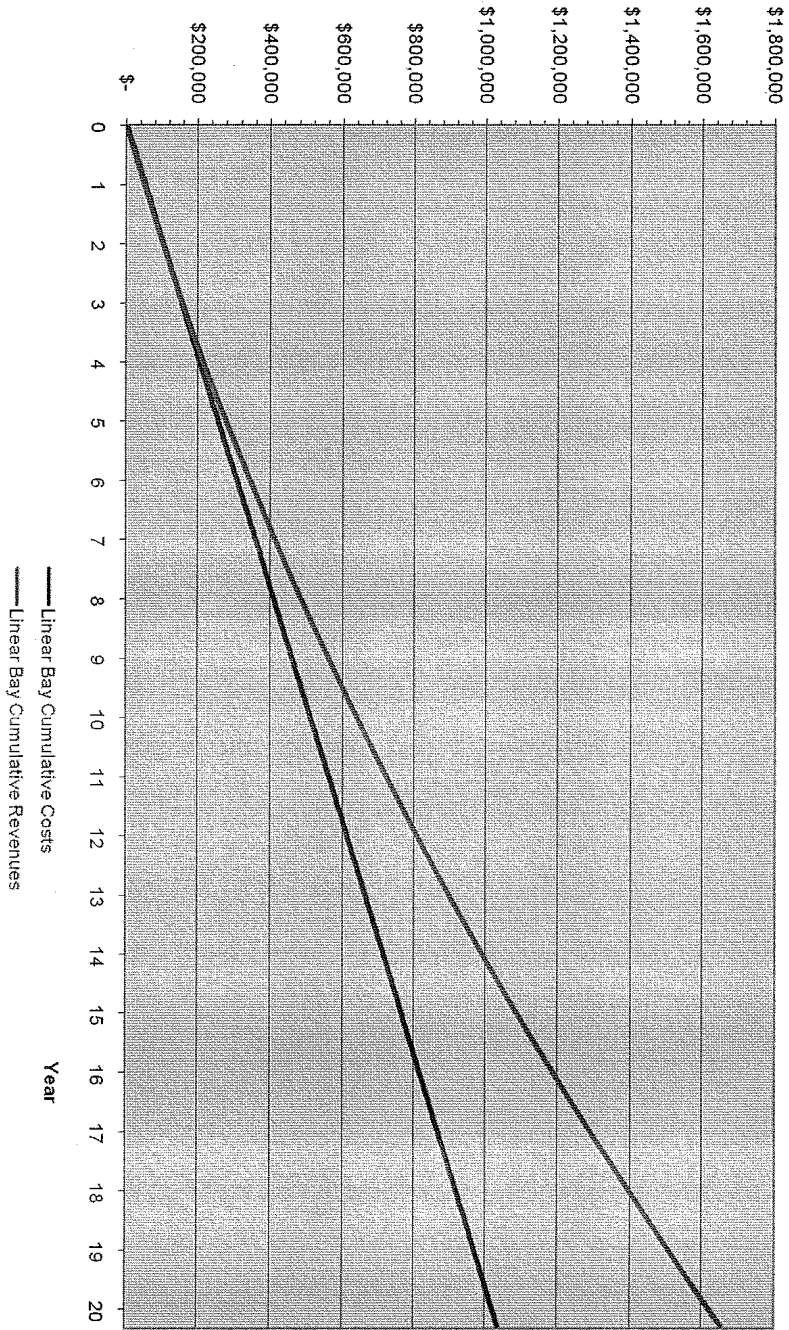
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New Agreement

- Initial Impact fee of \$495,000
- Turnpike charged twice in town sewer rates
- Turnpike pays \$2,500 tap on fee for each lot sold
- \$11 dollar standby fee per house per month for 400 houses paid to Belhaven by Turnpike; \$4,400/month
- All purchasers must tap on to sewer system, septic tanks prohibited
- Town is direct beneficiary of construction bond

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Breakeven in year 2 month 7



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20 year revenue comparison

Turnpike Contract... The Bottom Line



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Summary

Boyette/Johnson Debacle

- Losses of more than \$1.3 million in first 20 years

New Agreement

- Gains of nearly \$600,000 in first 20 years

Difference of \$1.9 million over first 20 years

The town of Belhaven had to spend around \$80,000 in legal fees to prevent the huge losses that would have occurred with the Boyette/Johnson debacle

Mayor O'Neal thanked the Council for their support and hardwork on this lawsuit and thanked Dr. Guinn Leverett, Town Manager who held a Harvard, MBA and could foresee that the Town had a bad contract.

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Mayor O’Neal stated that the continued pursuit of breakwater replacement and meeting with officials in Washington, DC has saved the Town a lot of money as now, no funds will have to be spent on the breakwater. The Town has also saved by not building a new Public Safety Building as was in the process by the last administration. Mr. Ron Medlin, representing the Washington Daily News, asked if the Turnpike Lawsuit was concluded. Town Manager Leverett stated not yet, the judge needed to sign off on the agreement.

Town Manager’s Report

Town Manager Leverett reported briefly on the following items:

1) Road widening – Old County Road in front of the Post Office: has been successfully completed; with the striping to be completed tomorrow and the final walk-thru inspection on Thursday morning, 35 pot holes were also filled throughout the town, intentions were to pave the tennis court and after attempting to pave found that the underlying base was inadequate to support the weight of the paving equipment, now looking for grant money to start over with a new court; 2) Fire Station remodeling is progressing, the brick façade will be started this week, exterior almost finished, new door on the garage to house a future ladder truck should be installed soon, the complete rewiring of the building is not complete; with these major improvements the second floor may be used for record storage and new bathrooms and painting will complete the remodeling.

Coastal Resources Permit for Wynne’s Gut – Mayor to Sign on Behalf of the Town

Councilman Carawan made that motion that Mayor O’Neal sign the Coastal Resources Permit for the Wynne’s Gut construction on behalf of the Town. Councilman Stanley seconded the motion which carried unanimously, 4 to 0. Councilman Guy questioned the status of the Wynne’s Gut bid. Town Manager Leverett that a meeting was held last week with the interested bidders and that the bid opening would be Friday, October 23, 2009 at 12 noon at the Municipal Building with hopes of receiving 9-10 bids.

Miscellaneous Council/Mayor Comments Concerns - Candidate’s Forum

Mayor O’Neal stated that a candidate’s forum would be held on Thursday, October 22 at 7:00 P.M. at Northside High School.

Adjournment

There being no further business, Mayor O’Neal declared the meeting adjourned at 8:24 P.M.

Respectfully submitted,

Marie J. Adams, CMC
Town Clerk