

Belhaven Town Council Meeting

December 14, 2009

Regular Session

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

The Town Council of the Town of Belhaven met in regular session (organizational meeting) on Monday, December 14, 2009 at 7:00 P.M. at 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, Howard D. Moore, newly elected Mayor Pro-Tem McKee "Mac" Pigott, Jr. and Robert L. Stanley. Town Manager, Dr. Guinn Leverett, Finance Officer Mr. Kyle J. DeHaven and Town Clerk Marie J. Adams were also present. Mayor O'Neal 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.

**Approval of Minutes – November 23, 2009 Regular and Closed Session**

Mayor O'Neal stated that the minutes of the November 23 Regular and Closed Session were open for review and adoption. There being no corrections to the minutes, Councilman Pigott made the motion to approve the November 23, 2009 Regular and Closed Session minutes. Councilman Moore seconded the motion which carried unanimously, 5 to 0.

**Swearing In of Mayor and Council Members**

Mayor O'Neal stated that Town Clerk Adams would now administer the oath of office to Councilmen Carawan and Moore and to himself as Mayor.

**STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT**

**OATH OF OFFICE  
MAYOR  
TOWN OF BELHAVEN**

I, Adam W. O'Neal, do solemnly and sincerely swear that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina, and to the constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability, so help me God.

I, Adam W. O'Neal, do swear that I will well and truly execute the duties of the office of MAYOR FOR THE TOWN OF BELHAVEN, NORTH CAROLINA according to the best of my skill and ability, according to law; so help me, God.

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Adam W. O'Neal, Mayor

Sworn and subscribed before me this  
14<sup>th</sup> day of December, 2009.

Marie J. Adams, Town Clerk

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**STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT**

**OATH OF OFFICE  
COUNCILMAN  
TOWN OF BELHAVEN**

I, Steve W. Carawan/Howard D. Moore, do solemnly and sincerely swear that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina, and to the constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability, so help me God.

I, Steve W. Carawan/Howard D. Moore, do swear that I will well and truly execute the duties of the office of COUNCILMAN FOR THE TOWN OF BELHAVEN, NORTH CAROLINA according to the best of my skill and ability, according to law; so help me, God.

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Steve W. Carawan

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Howard D. Moore

Sworn and subscribed before me this  
14<sup>th</sup> day of December, 2009.

Marie J. Adams, Town Clerk

**Election of Mayor Pro-Tem**

Mayor O'Neal stated that this item was not on the agenda but now was the time to elect a Mayor Pro-Tem. Councilman Carawan made the motion to elect Mac Pigott as Mayor Pro-Tem. Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

**Public Comments**

Mayor asked for any comments from the public. There were none.

**Fire Department Report**

Mayor O'Neal recognized Mr. Jimmy Davis who was recently hired as the Town's Fire Chief on a temporary basis. Mr. Davis gave the following update concerning the Fire Department.

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**MEMORANDUM**

**TO:** Gwinn Leverett, Town Manager  
**FROM:** Jimmy Davis, Fire Chief  
**SUBJECT:** Update on Fire Department  
**DATE:** December 14, 2009

During my three weeks on the job as the Belhaven Fire Chief much of my time has been spent talking to department members, citizens, and elected officials as part of my evaluation of the issues that pose a potential impact on the department and/or the Town of Belhaven and its citizens. The current status of these issues is summarized below but is not inclusive of all issues impacting the fire department.

**Departmental Officers:** The following members have been appointed officers for the department. Assistant Chief Paul Wood, Captain Jesse Taylor, Captain Ricky Radcliffe. The remaining officers should be appointed within a couple of weeks.

**Department membership:** The department currently will maintain 30 members on the roster. There have been some members to resign but the fire department officers have approved five applications and there is two more pending. We are currently recruiting new members in which a brochure will be completed in the coming days outlining the benefits of being a volunteer firefighter.

**FEMA Grant:** There are several issues with this grant that will need to be resolved. The breathing air/command trailer purchased was approximately \$17,000 over the budgeted amount allowed by FEMA. This additional cost will have to be picked up by the town. Also, associated with the trailer is approximately \$ 6,000 in finances charges. The grant specified the purchase of 8 new self contained breathing apparatus and 6 upgrade kits for existing self contained breathing apparatus. The department ordered 14 new ones instead of the 6 upgrades. This should have required approval from FEMA to vary from the initial grant request. We are currently trying to get FEMA to approve this change. If it is not approved six of the self contained breathing apparatus will have to be returned or paid with a different revenue source.

**Station Renovations:** Demolition of the interior of the building has begun with the help of town employees. Exterior is close to being finished. The department's input is being received as the renovation process continues. In an effort to speed up the renovations, we need to consider hiring a contractor to work on it full time.

**Rating Response Survey:** The NC Office of the State Fire Marshal's current inspection schedule has Belhaven scheduled for early 2011. This will allow time to improve the

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areas of deficiency that will affect the insurance rating. These deficiencies are still being evaluated and will be reported in a future update.

Councilman Guy stated that he was in full agreement to get the fire department renovation project completed. Town Manager Leverett stated there was a lay-out of the ground floor and second floor with the design completed in January 2010. Councilman Carawan stated that he was not present when Mr. Davis was brought on board but wanted to thank him and new officers which have committed to the department in that capacity. Mr. Pigott stated that it would be nice to have the annual oyster roast (which is held in February) at the newly renovated building. Town Manager Leverett stated that the building renovations may not be complete that soon but the plan was move forward as fast as possible. Mayor O'Neal stated that a design committee was needed and suggested that the following included in that capacity: Chief Jimmy Davis, Town Manager Leverett, Town Inspector – Mr. Marty Overholt; Assistant Chief Paul Wood; Captains – Mr. Ricky Radcliffe and Mr. Jesse Taylor, IV; and J. W. Cleary. Following some discussion Councilman Guy made the motion that the above list be the design committee for the Fire Department renovation and that a plan be submitted at the next Council meeting for approval. Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

Mayor O'Neal recognized Mr. Jesse Taylor, Captain with the Belhaven Volunteer Fire Department. Mr. Taylor stated that the combined years of experience with himself, Ricky Radcliffe and Paul Wood, Jr. were 100 years and they were willing to work with the department.

The Mayor and Council thanked the gentlemen for volunteering to serve their Town and community as an officer with the Belhaven Volunteer Fire Department.

**Fiscal Year 2009/2008 Audit Presentation – Mr. Ken Chilcoat, CPA**

Mayor O'Neal recognized Mr. Ken Chilcoat, CPA who administered the 2008/2009 Fiscal Year audit for the Town of Belhaven. Mr. Chilcoat summarized the 2008/2009 audit as follows: page 6 – Total Assets - \$13,746,087, total liabilities - \$4,425,759 making the total net assets - \$9,320,328; page 9 – General Fund – noted that revenues were \$1,592,469 with expenditures - \$1,959,992 resulting in a negative revenue of \$367,523 and beginning fund balance for the year was \$2,059,651 and ending fund balance of \$1,801,511 resulting in a net change of fund balance of \$258,140; Page 12 – Breakdown of Proprietary Funds, Electric, Water/Sewer – Total Net Assets of the Electric Fund - \$2,126,711; combined total net assets for the Water/Sewer Fund - \$3,233,161; combined total net assets of proprietary funds - \$5,359,872; Page 20 – Overview of increases/decreases of the Town's fixed assets and their depreciation schedules which now total \$2,464,626; Page 21 – Electric fund overview of Capital Assets – totaled \$445,841; Page 22 - Water and Sewer fund overview of Capital Assets – totaled \$6,790,520; Page 26 – Total Indebtedness of Sewer - \$1,313,289 – total indebtedness of the Water and Sewer General Obligation Bonds - \$2,117,000; Page 43 –

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Ad Valorem Tax Receivable - \$464,137 – Tax Collection Rate of 89.41%; Page 44 –  
Property Valuation \$87,709,038.

Mr. Chilcoat stated that in the past the town has been charged with material weaknesses with the segregation of duties due to the limited number of personnel for certain functions but that these corrective actions have been taken with the hiring of Mr. Kyle DeHaven who has an MBA (Master Degree in Business Administration) and then having Mr. Tom Robinson, who is a local non-affiliated CPA (Certified Public Accountant) on retainer. Mr. Chilcoat did state that there was over-expenditure in the Recreation Department whereas the correction action has been to give budget to actual expenditures to department heads and the Mayor and Council each month.

Councilman Pigott questioned the depreciation of Water, Sewer and Electric. Mr. Chilcoat stated that enterprise funds are operated as a business and can be depreciated and that the user fees should support these funds. Mr. Chilcoat stated that the General Fund and the Water and Sewer Funds operated a deficit and that the expenditures should be review and that the fees for services be raised. Mr. Chilcoat thanked the Mayor and Council for the opportunity to perform the audit. Following some discussion, Councilman Carawan made the motion to accept the 2008/2009 Fiscal Year Audit as presented. Councilman Stanley seconded the motion which carried unanimously 5 to 0.

### **Proposed Lot Fill Ordinance**

Mayor O'Neal stated that the Lot Fill Ordinance that was presented by the Belhaven Planning Board at the last Council meeting needed further review by the Planning Board. Councilman Pigott made the motion that the proposed Lot Fill Ordinance be revisited by the Planning Board. Councilman Guy seconded the motion which carried unanimously, 5 to 0.

### **The Rural Center – Building and Reuse Restoration Grant Application**

Mayor O'Neal stated that the Town was considering a grant application in which the Town would be the pass-through for administering a grant through The Rural Center in their Building and Reuse Restoration Program. Councilman Carawan stated that the building had not been sold, to date. The Council discussed that the Town would have no “out of pocket” expense involved in the grant but would have “in-kind” services through the administration of the grant. Following some additional discussion, Councilman Guy made the motion to support the grant application by the Southerland's for a Building Reuse and Restoration Grant for the former Helmsman building and that the Town administer this grant (when awarded) with “in-kind” services through the administration of the grant. Councilman Moore seconded the motion which carried unanimously, 5 to 0.

### **Cancellation of the December 28, 2009 Council Meeting**

Mayor O'Neal stated that due to the Holiday Season and the lack of pressing business that Council should consider cancelling the December 28, 2009 Regularly Scheduled meeting. Councilman Carawan questioned the need to consider the Wynne's Gut Docking Project which is scheduled for bid opening December 18. Following some discussion the Council stated that should meeting be needed to award bid for the Wynne'

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Gut Docking Project before the next meeting on January 11, 2010 then a Special Called Meeting would be set. Councilman Pigott made the motion to cancel the December 28, 2009 Regularly Scheduled Council meeting. Councilman Guy seconded the motion which carried unanimously, 5 to 0.

**Town Facilities Usage**

Mayor O'Neal stated that there was a need to charge a fee for use of Town Facilities (Council Chambers – Town Hall) as this building is used frequently with no fees charged to the users with heat, air conditioning, opening/closing of the room plus the general maintenance at no charge to the users. Following some additional discussion, Councilman Stanley made the motion that use of the Council Chambers – Town Hall facilities be charged a fee of \$25.00 and a \$25.00 deposit. Councilman Stanley seconded the motion which carried unanimously, 5 to 0.

**Town Manager's Report**

Town Manager Leverett reported briefly on the following items: 1) Bid Opening for the Wynne's Gut Docking Project on Friday, December 18, 2009 at 12 noon with study and review of bids afterwards; Councilman Carawan interjected that the bid opening was open to the public; 2) Breakwater Bid for Repairs – the contractor for this project has not been named to date; 3) Mayor O'Neal stated that the sidewalk project from NC Hwy 99 to the Foodlion Parking lot had been approved by DOT (Department of Transportation) as this sidewalk was desperately needed.

**Miscellaneous**

Councilman Pigott questioned the status of the sewer by-pass project. Town Manager Leverett stated that it was hoped that the project would start this winter. Councilman Guy stated that the road widening in front of the Post Office on Old County Road was an excellent project as now there was enough roadway to handle the amount of vehicular traffic going to and from the Post Office. Councilman Stanley stated that he was excited about the sidewalk project on US Hwy 264 By-pass, as he has witnessed two deaths in that area. Councilman Guy stated that a more substantial Merry Christmas sign was needed for Main Street. Mayor O'Neal stated that there would be a new Merry Christmas sign next year. Councilman Pigott stated that he had met with the Finance Officer on several occasions and that those meetings were refreshing.

**Adjournment**

There being no further business, Mayor O'Neal declared the meeting adjourned at 8:03 P.M.

Respectfully submitted,

Marie J. Adams, CMC  
Town Clerk