



Town of Beaufort, NC
701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
252-728-2141 - 252-728-3982 fax - www.beaufortnc.org

Board of Commissioners
Organizational & Regular Meeting
6:00 PM Monday, December 08, 2025
Train Depot, 614 Broad Street

Call to Order/Pledge of Allegiance

Roll Call

Agenda Approval

Items of Consent

- [1.](#) Meeting Minutes: November 10, 2025
- [2.](#) FY 2025 Audit Contract Amendment
- [3.](#) Personnel Policy Amendment- Article V. Section 12: Drug and Alcohol Policy
- [4.](#) Resolution: Issuance of Stormwater System Revenue Bond

Public Comment

Old Business

1. Adoption of Proposed F3 Marina Budget Ordinance, FY 2026 Fee Schedule and Budget Amendment #3
 - a. Matt Zapp and Lori Meehan

Recognition of Outgoing Commissioner, Bucky Oliver

Administration of Oaths

1. Melvin Cooper, Commissioner Elect
2. Dexter Matthews, Commissioner Elect

New Business

- | | |
|---|------------|
| 1. Budget Amendments for Pump Station #7 | C. Wood |
| 2. Award of Construction Contract - Pump Station No.7 Replacement Project | S. Bell |
| 3. Mardi Gras 2026 Event Application | J. Welborn |

Appointment of Mayor Pro Tempore

Mayor/Commissioner Comments

Adjourn



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**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: Items of Consent

SUBJECT: Meeting Minutes: November 10, 2025

REQUESTED ACTION:

Approval of draft minutes for the following meeting:

- November 10, 2025- Board of Commissioners Regular Meeting

SUBMITTED BY:

Elizabeth Lewis, Assistant Town Manager/Town Clerk



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Board of Commissioners
Regular Meeting
6:00 PM Monday, November 10, 2025
Train Depot, 614 Broad Street

Call to Order/Pledge of Allegiance

Mayor Harker called the meeting to order at 6:00 PM and led the Pledge of Allegiance.

Roll Call

Town Clerk, Elizabeth Lewis, called the roll:

PRESENT:

- Mayor Harker
- Mayor Pro Tem Cooper
- Commissioner Gillikin
- Commissioner LoPiccolo
- Commissioner Oliver
- Commissioner Spiegler

ABSENT:

None

Agenda Approval

Commissioner Cooper made a motion to approve the agenda.

The motion carried unanimously with a (5-0) vote.

Proclamation Presentations

1. Small Business Saturday 2025

Mayor Harker presented a proclamation that recognized small business owners' resilience, adaptability, and dedication to customer service, and their continued investment in the community's future. She proclaimed November 29, 2025, as Small Business Saturday, encouraging all residents and visitors to shop small, dine locally, and share their experiences to inspire others. A copy of the official proclamation is included in the meeting packet.

2. Baptist on Mission- Disaster Relief

Mayor Harker presented Mark and Joy Pickett, representing Baptist on Mission, with a proclamation. It recognized Baptist on Mission as a Christ-centered organization committed to serving others in times of great need through disaster relief, building efforts, and compassionate outreach. The proclamation detailed their swift and faithful response to Beaufort and surrounding communities following Hurricane Florence, offering relief, recovery, and long-term assistance to families whose lives and homes were upended. A copy of the official proclamation is included in the meeting packet.

Items of Consent

- 1. Meeting Minutes: October 13 & 27, 2025
- 2. Ordinance Amendments: Section 96.03 and Section 130.07
- 3. FY 26 Budget Amendment #2
- 4. Resolution: Authorizing Application for PNC Financing (\$6,469,000) for USDA water line project, contingent on USDA and LGC Approval

Commissioner Cooper made a motion to approve the Items of Consent as presented.

The motion carried unanimously with a (5-0) vote.

Old Business

1. Godette Hotel- 400 Pollock Street

Mayor Harker introduced the topic, noting it had been discussed extensively. She explained that the Town of Beaufort had worked really hard in good faith with the current owner of the Godette Hotel at 400 Pollock Street for quite some time. She emphasized it's an important part of Beaufort's history, and preserving it has been a shared goal. Through Preservation North Carolina, the property was secured with intent to protect and restore this historic landmark, with the board being extremely patient and accommodating.

Mayor Harker noted that while the packet discussed a partnership that was going to be developed to move the project forward, that partnership would not take place. However, she indicated there was updated news to be shared by Maggie Gregg from Preservation North Carolina.

Maggie Gregg approached the podium, noting it was not the anticipated agenda item. She explained they had continued working with the owner to look at possible resolutions to move the restoration process forward as their joint goal. Through exploring different options, the owner decided that at this time, the best way to forward the goal of restoration was to offer the property for sale and allow stewardship to move into new hands.

Commissioner Cooper expressed that while this was wonderful news, he felt the owner had lost her support when pulling back on two community representatives or financial leaders. He noted being in conversation with folks who were debating whether to tear it down knowing it's a blight to the city. However, with the property potentially going up for sale, he hoped there would be takers to get it restored, as it's an important part of Beaufort's history that should be preserved as best as possible.

Ms. Gregg shared that the encroachment agreement would be positive for the next steward, being ready to be executed as a step already taken. She reiterated that the owner carefully considered the best path forward to ensure restoration, deciding that a new steward would be the best option at this time.

Commissioner Oliver emphasized that the last thing the board wants is to reestablish deadlines, but noted that citizens, staff, town, and board have bent over backwards with patience. He asked Ms. Gregg to report back very clearly that timing is long past and they need definitive news.

Commissioner Spiegler reiterated that the Board very much wants to see the property preserved for its historical and cultural purposes, which is her main goal, hoping they are moving in that direction. She emphasized the need for that message to be articulated, noting the Board knows how important the building is to the Town's history.

Commissioner Gillikin thanked Ms. Gregg for coming and for all her work throughout the past year. She inquired whether they had identified anyone interested in the property.

Ms. Gregg responded it was a very new development, but over time people had expressed interest in whether it ever came to this point. She confirmed that she would remain closely involved in Preservation North Carolina herself, as the Eastern Office Regional Director.

Commissioner Gillikin suggested that future buyers would be subject to covenants in place that run with the deed and would need to develop a rehabilitation timeline, being encouraged to provide that information to the Town.

Ms. Gregg suggested it may be helpful for potential new owners to be aware of the pending encroachment agreement as it would help with their process planning.

Town Attorney, Arey Grady, confirmed that the Board had already approved a form of the encroachment agreement, but not when it was executed. He felt that gives prospective purchasers high confidence about the document and future transition of ownership.

Mayor Harker thanked Preservation North Carolina for stepping in and being part of this, also clarifying that the covenant would go with the property and new owner.

Ms. Gregg confirmed the covenant runs with the deed in perpetuity, so all subsequent owners will be subject to retaining the property's historic integrity.

2. F3 Marina Draft Budget

The Board of Commissioners reviewed the draft Beaufort Waterfront Docks (Fund 14) operating plan and preliminary six-month budget in preparation for the transition to F3 Marina beginning January 1, 2026. Town Manager, Matt Zapp, opened the discussion and shared that the review was structured similarly to the Town's regular annual budgeting process, comparable to a May draft budget presentation, in order to provide an opportunity for questions, review, and public feedback prior to final discussion and consideration at the December 8, 2025, Regular Meeting. He emphasized that this document had been under development over multiple months and reflected priorities and action items established by the Board of Commissioners and BWOFF members. The budget presented covered the six-month period from January 1 through June 30, 2026, representing the second half of Fiscal Year 2025–2026.

Mr. Zapp shared that the primary goal for the initial six months of F3 Marina's management was to maintain or enhance existing operational and service standards. He further explained that the draft budget was presented in a transparent Fund 14 format, allowing for clear tracking of all revenues and expenditures. He noted that F3 would be responsible for all personnel staffing, including recruitment for a general manager, maintenance technician, administrative assistant, and up to five dockhands depending on seasonal needs and projected growth. Mr. Zapp also reported that Lori Meehan, representing F3 Marina, had conducted initial site assessments and identified needed improvements including upgrades to restrooms and shower facilities, improved signage, and additional safety equipment such as lighting and fire extinguishers. A walkthrough with the fire inspector was planned to evaluate potential safety concerns and operational inefficiencies. Mr. Zapp added that the budget was based on a conservative yet attainable thirty percent occupancy rate and included costs associated with fuel system utilization.

Ms. Meehan provided an overview of proposed commercial operator slip rental rates and detailed an analysis comparing existing vendor payments against proposed 2026 rates. She explained that the goal (as directed by the Board of Commissioners) was to move commercial operators toward a fair market rate through a phased approach rather than an

abrupt rate adjustment that could negatively impact small businesses that had long operated along Beaufort's waterfront. Based on regional comparisons from inland marinas to coastal facilities, the market rate was identified at approximately \$16 per linear foot, with some locations ranging between \$16 and \$20 depending on season. Ms. Meehan recommended an annual rate of \$10.50 per foot for commercial operators under a 12-month agreement and noted that catamarans would be billed at one and a half times the slip length due to vessel width. She explained that marina industry norms typically show annual increases of three to five percent but recommended a six to ten percent annual adjustment for Beaufort in order to achieve market rate sooner while still providing predictable, manageable increases. Ms. Meehan compared current commercial revenue of approximately \$47,000 to a projected increase to \$51,345 under the proposed structure.

Commissioner Gillikin expressed appreciation for the analysis and stated that the proposal aligned well with the Town's desire to support long-standing waterfront commercial partners who contribute significantly to the character and cultural experience of downtown. She agreed that incremental increases provided needed predictability and fairness, noting that Gallants Channel or other locations could attempt to recruit Beaufort's operators.

Commissioner Cooper requested clarification regarding current commercial operator payments.

Ms. Meehan gave examples that Island Ferry Adventures presently pays \$4,800 annually per slip for two slips and Water Bug Tours pays \$3,200 based on limited seasonal presence.

Commissioner Cooper stated that he preferred gradual increases rather than immediate transition to full market rate.

Ms. Meehan explained that under a ten percent annual increase, existing rates would reach current market value in approximately five years, with an additional period needed to match future market changes if coastal rates continue rising.

Commissioner Cooper also asked about staff transitions and Ms. Meehan reported that all existing staff had been met with, that positions were posted with preference for existing employees.

Commissioner LoPiccolo asked how market rates were determined and requested the basis for comparison.

Ms. Meehan explained of her regional study and acknowledged that not all comparison sites were identical but that the most comparable nearby facility offering monthly wet slips was Homer Smith at \$16 per foot, with some coastal locations such as Swansboro charging closer to \$22 per foot.

Commissioner LoPiccolo then delivered a prepared statement in opposition to below-market commercial rates, asserting that the Town should adopt fair market pricing in order to properly fund the enterprise fund and avoid subsidizing private commercial businesses with public dollars. He described Front Street as having unique commercial value due to pedestrian traffic and visibility and noted that the Town is already responsible for significant infrastructure costs allocated to the enterprise fund and potential future debt obligations for fuel tank infrastructure. He also questioned the perception of seeking state appropriations for dock improvements while simultaneously providing what he perceived as under-market commercial rates. He suggested that charging \$10.50 rather than \$16 would forgo approximately \$26,000 in the first year and potentially compound into hundreds of thousands of dollars over future years.

Commissioner LoPiccolo made a motion to adopt commercial slip rates at \$16 per linear foot beginning in 2026 with three percent annual increases for inflation.

Voting Yea: Commissioner LoPiccolo

Voting Nay: Commissioner Gillikin, Commissioner Cooper, Commissioner Oliver, Commissioner Spiegler

The motion failed on a (4-1) vote.

Commissioner Spiegler thanked Ms. Meehan for her work and shared that she agreed with Commissioners Gillikin and Commissioner Cooper regarding phased implementation rather than immediate movement to full market rate. She commented on the uncertainty experienced by commercial operators over recent years and noted that the partnership with F3 Marina, while positive, still represents a significant operational change. She referenced a National Park Service report highlighting the economic impact of small business operations and emphasized that Town decision-making should consider not only direct slip revenue but also effects on community vibrancy, visitor spending, and long-term economic sustainability.

Commissioner Cooper added that Beaufort must consider the consequences of rapid rate increases, including whether operators might relocate to nearby jurisdictions, which could result in indirect economic losses tied to tourism-based spending and visitor activity.

Following discussion, Mayor Harker confirmed that the Board would not be taking formal action on slip rates during this meeting and noted that the motion to set rates at full market value failed.

Mr. Zapp presented the revenue and expenditure totals for the six-month period from January 1 through June 30, 2026. The draft budget included total estimated revenue of \$1,815,094 and projected operating expenses of \$584,225, resulting in a net operating income of approximately \$329,993 assuming installation and activation of fuel operations by spring 2026. After accounting for non-operating and one-time expenditures associated with safety improvements, restroom and shower upgrades, Wi-Fi improvements, website development, dredging contributions, and partial debt service for fuel tank financing, the projected six-month net balance was approximately \$67,000.

Mr. Zapp reported that the Water Improvement Fund currently holds approximately \$224,500 in reserve and reiterated that the fuel system installation project is estimated at \$1.2 million with loan repayment beginning in summer 2026.

Commissioner Oliver raised questions regarding commercial slip revenue estimates, noting the difference between \$51,345 reflected on the commercial vendor detail sheet and \$54,652.50 shown in the budget summary.

Ms. Meehan clarified that the higher number assumed that currently unoccupied commercial slips would be leased.

Commissioner Oliver also questioned the reallocation of \$14,457 previously assigned as property tax expense, and Ms. Meehan confirmed it was reassigned to assist with office space repairs and upgrades for the dockmaster facility.

Commissioner Oliver stated that based on anticipated operating conditions, the docks would require approximately \$218,000 in working capital for startup and transition needs, and recommended that a budget amendment be brought to the Board at its December 8th meeting to allocate an additional \$200,000 from reserve funds. He also recommended that advertising and promotion funding be included due to the docks being inactive for a portion of the transition period.

Mr. Zapp next introduced a concept for limited annual slip rentals for slips 1 through 6 on the west floater, all of which are 35-foot slips.

Ms. Meehan explained that during repeated dock inspections, she observed vessels that appeared to be long-term users rather than transients and noted that the westernmost area presents navigational challenges for transient boaters due to currents and limited room for maneuvering. The concept of limited annual rentals was presented as a temporary solution to both navigational and operational concerns and to address vessels already using the area as long-term placements.

The Board discussed the benefits and possible constraints of annual versus monthly rental terms.

Commissioner Gillikin referenced prior BWOFF strategic goals regarding varied utilization and suggested that community access lottery models may be useful.

The Board expressed differing views but generally acknowledged the value of structured assignment rather than unmanaged occupancy.

Ms. Meehan also raised F3's obligation to provide six 3-hour free day docking spaces for public access and recommended designating spaces on the inside of West Basin rather than on the bulkhead for improved management, signage, and monitoring. She explained that F3 would require all vessels, regardless of payment status, to register in Dockwa or MarinaGo and to provide vessel and insurance information for tracking and liability purposes.

Mayor Harker concluded the discussion by noting that the recommendation to pursue a budget amendment to allocate \$200,000 in working capital would be added for consideration at the December 8, 2025, Regular Meeting.

Mr. Zapp agreed to work with the Finance Department on the required documentation and updated budget materials.

Mayor Harker thanked Town staff and F3's leadership for their work to this point.

Public Comment

There was none.

Manager Report

Mr. Zapp thanked Ms. Meehan publicly for her professionalism, guidance, and assistance during her ten days with boots on the ground both literally and figuratively. He noted she had worked hard meeting with commercial vendors, operators, existing team members, and participated well with staff. He shared that if this indicates what is coming, the Town is looking forward to it.

Mr. Zapp also recognized and thanked the Police Department for their extraordinary effort making Halloween successful and safe on Ann Street, noting tremendous positive feedback received. He mentioned that one request for next year was additional street signage indicating road closures, but believed Ann Street residents greatly appreciated the additional safety.

Mayor/Commissioner Comments

Commissioner Gillikin emphasized the importance of not hiking rates for commercial operators, rather than an approach over reasonable time at reasonable cost. She shared they must consider not taking full advantage of local market rates and the cost in community relationships and potential secondary impacts. She expressed confidence in moving in the right direction.

Commissioner Cooper thanked the Mayor for attending Mount Zion Missionary Baptist Church's proclamation celebrating their 160-year anniversary in the same location. He noted the importance of Veterans Day and thanked Carteret Community College and the culinary school for hosting a breakfast that morning to honor veterans in the area. He thanked all veterans in the audience and on Facebook for their service, noting many Marines celebrating their 250-year anniversary, a serious milestone. He also thanked Beaufort residents for voting in the recent municipal election and for their voter confidence in returning him to the Board.

Commissioner Oliver read the statement below into the record:

I am honored to have served as a Beaufort Commissioner. In this my last Comment opportunity, I take the opportunity to suggest 7 wake-up, red-flag topics that are less apparent than our streets:

- *As concerns the UDO, we may want to delay the significant cost of the process until State Law no longer prohibits down-zoning or taking*
- *In rebuffing the \$16M Safe Harbor investment in our community, we now must solve approximately 92% of the remaining dock improvement cost not covered by the \$1.2M fuel tank debt. Sound economic development is critical to our financial future*
- *We need to look beyond 2027 when debt capacity is forecasted to be limited especially as it concerns unfunded infrastructure*
- *We need to address the safety issue on 70 within Beaufort at the Town Creek, Gallants Channel and Turner Street intersections at the east end of the high bridge*
- *We should celebrate and adopt the precedent set with the Taft commitment to workforce housing*
- *We need to accelerate our efforts to solve inflow and infiltration solutions and acknowledge that our sewer system has adequate capacity if we manage these solutions and who we serve*
- *We need to study the alternatives available for downtown parking and improvements*

I sincerely thank the multiple Town Managers and especially Town Staff for their respectful support during my term.

Commissioner Spiegler thanked everyone participating in person or online and everyone who voted, noting a good turnout. She thanked Commissioner Oliver, shared she learned a lot serving with him for two years, respecting his role and everything she learned sitting next to him. She also thanked Town staff for doing a great job with Halloween. She also thanked Mayor Harker for driving in the Veterans Day Parade, sharing it was a great time representing Beaufort and remembering veterans. She announced the BWOFF committee meeting on November 20th at 1 PM, open to public, encouraging attendance to hear discussions.

Mayor Harker thanked Commissioner Cooper for his service in the Air Force and, with Thanksgiving approaching before their next meeting, wished everyone a Happy Thanksgiving. She then shared several community updates. She announced the holiday food drive benefiting the Boys and Girls Club, a partnership between Beaufort residents and the Town, noting that kid-friendly, non-perishable items could be dropped off at the BWAFF clubhouse or Town Hall by November 20th. She also highlighted Clawson’s “Forks Up for Families” initiative, which is supporting local families while SNAP benefits are temporarily on hold due to the federal shutdown. As part of this effort, Clawson’s is participating in the Beaufort Loaves and Fishes food bank and will donate ten percent of food and beverage sales on Wednesday, November 12th, while encouraging donations of packaged foods and contributions toward \$25 grocery gift cards for Piggly Wiggly and Food Lion. She further shared that the Town is currently seeking to fill a position in the Public Works Department. She reminded the public about the ongoing improvements on Turner Street, assuring residents and visitors that free parking remains available there following the acquisition of the Ann Street parking lot to support continued shopping while the street repairs are underway.

Mayor Harker reflected on the recent election, welcoming back Commissioner Cooper and congratulating Commissioner-elect Dexter Matthews. She noted that the organizational meeting on December 8th will include the swearing-in of new commissioners, the selection of a new Mayor Pro Tem, and a recognition of Commissioner Oliver’s service. She described Commissioner Oliver as someone she holds dear, expressing her gratitude for his intellect, perspective, and contributions that have helped move Beaufort forward.

Adjourn

Commissioner Cooper made a motion to adjourn the meeting at 7:33 PM.

The motion carried unanimously with a (5-0) vote.

Sharon E. Harker, Mayor

Elizabeth Lewis, Town Clerk



Town of Beaufort, NC

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**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: Items of Consent
SUBJECT: FY 2025 Audit Contract Amendment
BRIEF SUMMARY:

This amendment to the FY 2025 audit contract is necessary due to the delayed release of the 2025 Compliance Supplement, which is issued by the federal government and was postponed as a result of the federal shutdown.

Our auditors, Martin Starnes & Associates, will present the draft financial statements at the January 12, 2026, meeting. A draft copy will be provided to you in advance for your review. There are no fee changes associated with this contract amendment.

REQUESTED ACTION:
Approve the amendment to the FY 2025 audit contract.

SUBMITTED BY:
Christi Wood- Finance Director

BUDGET AMENDMENT REQUIRED:
No

Whereas	Primary Government Unit Town of Beaufort, NC
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A
and	Auditor Martin Starnes & Associates, CPAs, P.A.

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

for	Fiscal Year Ending 06/30/25	and originally to be submitted to the LGC on	Date 12/31/25
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hereby agree that it is now necessary that the contract be modified as follows.

<input checked="" type="checkbox"/> Modification to date submitted to LGC <input type="checkbox"/> Modification to fee	Original date 12/31/25	Modified date 02/12/26
	Original fee	Modified fee

Primary Other
(choose 1)(choose 0-2)

Reason(s) for Contract Amendment

- Change in scope
- Issue with unit staff/turnover/workload
- Issue with auditor staff/turnover/workload
- Third-party financial statements not prepared by agreed-upon date
- Unit did not have bank reconciliations complete for the audit period
- Unit did not have reconciliations between subsidiary ledgers and general ledger complete
- Unit did not post previous years adjusting journal entries resulting in incorrect beginning balances in the general ledger
- Unit did not have information required for audit complete by the agreed-upon time
- Delay in component unit reports
- Software - implementation issue
- Software - system failure
- Software - ransomware/cyberattack
- Natural or other disaster
- Other (please explain)

Plan to Prevent Future Late Submissions

If the amendment is submitted to modify the date the audit will be submitted to the LGC, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years. Audits are due six months after fiscal year end (ten months after fiscal year end for housing authorities). Indicate NA if this is an amendment due to a change in cost only.

N/A - this contract amendment is due to the late release of the 2025 compliance supplement

Additional Information

Please provide any additional explanation or details regarding the contract modification.

This contract amendment is due to the late release of the 2025 compliance supplement.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative* (typed or printed) Amber Y. McGhinnis	Signature* <i>Amber Y. McGhinnis</i>
Date* 11/25/25	Email Address amcghinnis@msa.cpa

GOVERNMENTAL UNIT

Governmental Unit* Town of Beaufort, NC	
Date Primary Government Unit Governing Board Approved Amended Audit Contract* (If required by governing board policy)	
Mayor/Chairperson* (typed or printed) Sharon E. Harker, Mayor	Signature*
Date	Email Address s.harker@beaufortnc.org

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* N/A	Signature*
Date of Pre-Audit Certificate*	Email Address*

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU N/A	
Date DPCU Governing Board Approved Amended Audit Contract (If required by governing board policy)	
DPCU Chairperson (typed or printed)	Signature
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE
ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT
(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed) N/A	Signature
Date of Pre-Audit Certificate	Email Address



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**Board of Commissioners
Regular Meeting
6:00 PM- Monday, December 8, 2025**

AGENDA CATEGORY: Items of Consent
SUBJECT: Personnel Policy Amendment- Article V. Section 12: Drug and Alcohol Policy

PROPOSED AMENDMENT SUMMARY:

Safety-Sensitive Positions

The revised policy clearly identifies Town positions classified as safety-sensitive, ensuring consistent and legally defensible random drug testing for roles where impairment could pose a risk to employees or the public.

Post-Accident Testing Criteria

The policy now outlines specific circumstances requiring post-accident testing, including property damage, tow-away incidents, fatalities, or injuries requiring offsite medical treatment. These standards help ensure accountability and proper documentation following an incident.

Overall Impact

These updates promote workplace safety, strengthen accountability, and ensure Town policies align with current best practices and legal requirements.

REQUESTED ACTION:

Amend Article V, Section 12 – *Drug and Alcohol* – to define safety-sensitive positions subject to random drug testing and clarify when post-accident testing will be required. These updates strengthen the Town’s commitment to a safe, productive, and compliant workplace.

SUBMITTED BY: Barbara Cooper, Human Resources Manager

BUDGET AMENDMENT REQUIRED: None

Article V. Section 12: Drug and Alcohol Policy

Purpose

In compliance with the Drug-Free Workplace Act of 1988, the Town of Beaufort has a longstanding commitment to provide a safe, quality-oriented and productive work environment. Alcohol and drug misuse pose a threat to the health and safety of Town employees and to the security of the Town’s equipment and facilities. For these reasons, the Town is committed to the elimination of drug and alcohol use and misuse in the workplace.

Scope

This policy applies to all employees and all applicants for employment of Town of Beaufort.

Definitions

“Town premises” includes all buildings, offices, facilities, grounds, parking lots, lockers, places and vehicles owned, leased or managed by the Town or any site on which the Town is conducting business.

“Illegal drug” is defined as a “controlled substance” under N.C. Gen. Stat Sec. 95-231.

“Refuse to cooperate” means to obstruct the collection or testing process; to submit an altered, adulterated or substitute sample; to fail to show up for a scheduled test; to refuse to complete the requested drug testing forms; or to fail to promptly provide specimen(s) for testing when directed to do so, without a valid medical basis for the failure. Employees who leave the scene of an accident without justifiable explanation prior to submission to drug and alcohol testing will also be considered to have refused to cooperate and will automatically be subject to discharge.

“Under the influence of alcohol” means an alcohol concentration equal to or greater than .04, or actions, appearance, speech or bodily odors that reasonably cause a supervisor to conclude that an employee is impaired because of alcohol use.

“Under the influence of drugs” means a confirmed positive test result for illegal drug use per this policy. In addition, it means the misuse of legal drugs (prescription and possibly over the counter drugs) when there is not a valid prescription from a physician for the lawful use of a drug in the course of medical treatment.

Employee Assistance

The Town will assist and support employees who voluntarily seek help for drug or alcohol addiction before becoming subject to discipline for refusing to test or testing positive for drug or alcohol use under this policy. Such employees may be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and will be otherwise accommodated as required by law. Employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety-sensitive or require driving, or if they have violated this policy previously. Once the testing process has been initiated and a drug or alcohol test has been requested under this policy, unless otherwise required by the Family and Medical Leave Act or the Americans with Disabilities Act, the employee will have forfeited the opportunity to be granted a leave of absence for treatment, and will face possible discipline, up to and including discharge.

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees who use prescription medications while working must consult with their

healthcare providers about the medications’ effect on their fitness for duty and ability to work safely, and they must promptly disclose any work restrictions or limitations identified by their healthcare provider to their supervisor.

Work Rules

1. Whenever employees are working, are operating any Town vehicle, are present on Town premises during work hours or are conducting Town-related work offsite, they are prohibited from:
 - a. Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
 - b. Being under the influence of alcohol or an illegal drug as defined in this policy.
 - c. Possessing or consuming alcohol.
2. The presence of any detectable amount of any illegal drug, illegal controlled substance or identified levels of alcohol in an employee’s body system while performing Town business or while in a Town facility during work hours, is prohibited.
3. The Town will also not allow employees to perform their duties while taking prescribed drugs that are adversely affecting their ability to perform their job duties safely and effectively. Employees taking a prescribed medication must carry it in a container labeled by a licensed pharmacist or be prepared to produce the container if asked.
4. Any illegal drugs or drug paraphernalia confiscated from a Town employee will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

Required Testing

Pre-employment

Applicants who receive a conditional offer of employment must pass a drug test before beginning work. Refusal to submit to testing will result in disqualification of further employment consideration.

Random Drug Testing

Employees who are required to hold a Commercial Driver’s License “(CDL)” for the purpose of performing their duties or as a condition of employment are subject to random drug testing as well as all town safety sensitive positions.

Safety sensitive positions are:

- All sworn Police personnel
- All Fire personnel
- Positions requiring consistent and frequent operation of heavy equipment, trucks, or automobiles; or positions in which equipment operation is an important and primary job task on a periodic basis.
 - Public Works Director
 - Public Works Supervisor
 - Public Works Technicians
 - Equipment Operators
 - Heavy Equipment Operators
 - Public Utility Director
 - Public Utility Supervisor

- Utility Maintenance Technicians
- Zoning Manager
- Code Enforcement Officer
- Other positions as required by law or so designated by the Town Manager due to specific safety sensitivity of individual jobs.

Reasonable suspicion

Employees are subject to testing based on, but not limited to, observations of apparent workplace use, possession or impairment by at least one witness and one member of management. The Town Manager or the Human Resources Manager should be consulted before sending an employee for testing. Management must use the reasonable suspicion observation checklist to document specific observations and behaviors that create a reasonable suspicion that an employee is under the influence of illegal drugs or alcohol. Examples include, but are not limited to:

- Odors (smell of alcohol, body odor or urine).
- Movements (unsteady, fidgety, dizzy).
- Eyes (dilated, constricted or watery eyes, or involuntary eye movements).
- Face (flushed, sweating, confused or blank look).
- Speech (slurred, slow, distracted mid-thought, inability to verbalize thoughts).
- Emotions (argumentative, agitated, irritable, drowsy).
- Actions (yawning, twitching).
- Inactions (sleeping, unconscious, no reaction to questions).

When reasonable suspicion testing is warranted, both the Human Resources Manager and the employee’s supervisor will meet with the employee to explain the observations and the requirement to undergo a drug and/or alcohol test within two hours. Refusal by an employee to undergo testing will be treated as a positive drug test result and will result in immediate termination of employment.

Under no circumstances will the employee be allowed to drive himself or herself to the testing facility. A member of management must transport the employee or arrange for a cab and arrange for the employee to be transported home.

Post-accident

Employees are subject to testing when they cause or contribute to accidents that cause damage to a Town vehicle, machinery, equipment or property that causes disabling damage requiring tow away, that results in a human fatality, or that result in an injury to themselves or another employee requiring offsite medical attention. A circumstance that constitutes probable belief will be presumed to arise in any instance involving a work-related accident or injury in which an employee who was operating a motorized vehicle (including a Town forklift or pickup truck) is issued a moving traffic violation due to the accident or found to be responsible for causing the accident due to violation of a major safety rule. Refusal by an employee will be treated as a positive test result and will result in immediate termination of employment.

As soon as possible after an accident involving a Town employee driver during the course of performing Town work, whether in a Town or personal vehicle, the Town of Beaufort shall test each surviving (Town employee) driver for alcohol and drugs based on the following table*.

<u>Accident Involves</u>	<u>Citation Issued to driver</u>	<u>Test</u>
Human Fatality	Yes	Yes
	No	Yes
Bodily Injury with immediate medical treatment away from the scene	Yes	Yes
	No	No
Disabling damage to any motor vehicle requiring tow away	Yes	Yes
	No	No

*Table extracted from Section 382.303 (a) and (b) of the Federal Motor Carrier Safety Administration rule on Controlled Substance and Alcohol Use Testing

A drug test shall be administered as soon as possible, and within four (4) hours following the accident. If the test is not administered within this time period, then the Town shall prepare and maintain on a file a report that states the reasons the test was not promptly administered. If the test is not administered thirty two (32) hours following the accident, the Town shall cease attempts to administer the alcohol test and shall prepare and maintain on file the same report.

An alcohol test shall be administered as soon as possible, and within two (2) hours following the accident. If the test is not administered within this time period, then the Town shall prepare and maintain on a file a report that states the reasons the test was not promptly administered. If the test is not administered eight (8) hours following the accident, the Town shall cease attempts to administer the alcohol test and shall prepare and maintain on file the same report.

Under no circumstances will the employee be allowed to drive himself or herself to the testing facility. A member of management must transport the employee or arrange for a cab and arrange for the employee to be transported home.

Collection and Testing Procedures

All testing will be conducted in compliance with the North Carolina Controlled Substance Examination Regulation. Applicants and employees subject to alcohol or drug testing will be transported to a Town-designated facility and directed to provide specimens. Applicants and employees may provide specimens in private unless they appear to be submitting altered, adulterated or substitute specimens. At the time of the provision of the sample, the examiner shall provide examinees with written notice of their rights and responsibilities under the Controlled Substance Examination Regulation Act. Collected specimens will be sent to an approved laboratory as defined by N.C. Gen. Stat Sec. 95-231 and tested for controlled substances. The laboratory will screen all specimens and confirm all positive screens. The examiner shall establish procedures regarding chain of custody from the time specimens are collected through testing and storage, to ensure proper record-keeping, handling, labeling, and identification of samples.

The laboratory will transmit all positive drug test results to a medical review officer (MRO) retained by Town, who will offer individuals with positive results a reasonable opportunity to rebut or explain

the result. Within 30 days from the time that the results are mailed or otherwise delivered to the examiner, the examiner shall give notice to the examinee, in writing: (1) of any positive result of a controlled substance examination; and (2) of the examinee's rights and responsibilities regarding retesting. If the screening test for a prospective employee produces a positive result, an approved laboratory shall confirm that result by a second examination of the sample utilizing gas chromatography with mass spectrometry or an equivalent scientifically accepted method, unless the applicant signs a written waiver at the time or after they receive the preliminary test result. All screening tests for current employees that produce a positive result shall be confirmed by a second examination of the sample utilizing gas chromatography with mass spectrometry or an equivalent scientifically accepted method,

A portion of every sample that produces a positive sample must be kept by the laboratory for 90 days from the date results are delivered to the employee or applicant. The applicant or employee tested shall have the right to retest a confirmed positive test at the same or another approved laboratory at his or her expense.

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired and will not be allowed to reapply/retest in the future. Employees who refuse a drug or alcohol test or test positive will be terminated.

Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture, distribute or dispense an illegal drug or use, sell, or distribute alcohol in violation of this policy will be terminated. If the employee refuses to be tested when the Town believes he or she is impaired and requests such testing, under no circumstances will the employee be allowed to drive himself or herself home.

Employees will be paid for time spent in alcohol or drug testing and then suspended pending the results of the drug or alcohol test. After the results of the test are received, a date and time will be scheduled for a meeting to discuss the results of the test; which will include a member of management and the Human Resources Manager. Should the results prove to be negative, the employee will receive back pay for the times/days of suspension.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies, and legitimate medical explanations provided to the MRO will be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files. Such records and information may be disclosed among managers and supervisors on a need-to-know basis and may also be disclosed when relevant to a grievance, charge, claim or other legal proceeding initiated by or on behalf of an employee or applicant.

Inspections

The Town reserves the right to inspect all portions of its premises for drugs, alcohol or other contraband. Employees have no legitimate expectation of privacy in any container, locker, furniture, equipment, or vehicle owned by the Town. In addition, all employees, contract employees and visitors may be asked to cooperate in inspections of their persons, work areas and personal property that might conceal drugs, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline, up to and including discharge.

Crimes Involving Drugs

Town prohibits all employees from manufacturing, distributing, dispensing, possessing or using illegal drugs in or on Town premises or while conducting Town business. Town employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs and alcohol. Law enforcement personnel may be notified, as appropriate, when criminal activity is suspected.

The Town does not desire to intrude into the private lives of its employees but recognizes that employees' off-the-job involvement with drugs and alcohol may have an impact on the workplace. Therefore, the Town reserves the right to take appropriate disciplinary action for drug use, sale or distribution while off Town premises. All employees who are charged with, convicted of, plead guilty to or are sentenced for a crime involving an illegal drug are required to report the charge, conviction, plea or sentence to the Human Resources Manager within five days. Failure to comply will result in automatic discharge. Cooperation in complying may result in suspension without pay to allow management to review the nature of the charges, review the employee's past record with Town, and conduct an independent examination of the charge.

Enforcement

The Human Resources Manager is responsible for policy interpretation, administration and enforcement.



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
www.beaufortnc.org

**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: Items of Consent
SUBJECT: Resolution: Issuance of Stormwater System Revenue Bond

BRIEF SUMMARY:

To meet USDA requirements, the Board must formally approve the attached resolution authorizing the issuance of the \$3,007,000 Stormwater System Revenue Bond. This approval is necessary for the interim loan closing on January 13, 2026.

The first debt service payment is due June 1, 2026, with funding already appropriated in the FY 2026 budget. The loan is structured over 40 years at an interest rate of 1.25%.

REQUESTED ACTION:

Adopt the proposed Resolution: Issuance of Stormwater System Revenue Bond.

SUBMITTED BY:

Christi Wood- Finance Director

BUDGET AMENDMENT REQUIRED:

NO

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF
BEAUFORT, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF
\$3,007,000 STORMWATER SYSTEM REVENUE BOND, SERIES 2026
OF THE TOWN OF BEAUFORT**

BE IT RESOLVED by the Board of Commissioners (the “*Board of Commissioners*”) of the Town of Beaufort, North Carolina (the “*Town*”), that:

Section 1. The Board of Commissioners has determined and does hereby find and declare as follows:

(a) A bond order authorizing Stormwater System Revenue Bonds of the Town was adopted by the Board of Commissioners on March 11, 2024 (the “*Bond Order*”), which order was effective on approval.

(b) The Town issued a Stormwater System Revenue Bond Anticipation Note, (the “*Note*”) in the amount of \$3,007,000 which matures on January 15, 2026, in order to pay the capital costs of construction of various improvements to the Town’s stormwater system (the “*Project*”).

(c) It is necessary for the Town to issue its \$3,007,000 Stormwater System Revenue Bond, Series 2026 (the “*Bond*”) at this time, the proceeds of which, together with other available funds of the Town, will refinance the Note in advance of its maturity.

(d) The maximum period of usefulness of the Project originally financed with the proceeds of the Note and refinanced with the proceeds of the Bonds authorized hereby is estimated as a period of 40 years from January 13, 2026, the anticipated date of the Bond, and such period expires on January 13, 2066.

Section 2.

(a) Pursuant to the Bond Order, the Town shall issue its Bond in the amount of \$3,007,000, numbered R-1, dated as of the date of delivery thereof. The Bond shall mature, bear interest, and be subject to annual mandatory redemption as specified in a certificate to be delivered by the Town’s Town Manager or Finance Director at the time of closing.

(b) The Bond will be sold to United States of America, United States Department of Agriculture, Rural Development (“*USDA*”) by private sale in accordance with Sections 8 and 9. The Bond may not be defeased without written consent of USDA during such time as USDA remains the registered owner of the Bond.

(c) The Bond shall bear interest from the date on which it is authenticated.

(d) The principal of and the interest and any redemption premium on the Bond are payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

(e) The Bond Registrar (as defined in the Bond Order) shall pay interest on the Bond on each interest payment date to the person appearing on the registration books of the Town hereinafter provided for as the registered owner of such Bond at the close of business on the record date for such interest, which is the 15th day (whether or not a business day) of the calendar month next preceding such interest

payment date. During the time that USDA is the registered owner of the Bond, payment of the installments of principal and interest when due and payable on the Bond is to be made at the office of such fiscal agent as USDA designates without presentation or surrender thereof and, during any such time as an assignee thereof is the registered owner of the Bond, payment of the installments of principal when due and payable on the Bond is to be made at the corporate trust office of the Trustee (as defined in the Bond Order or a Series Resolution), on the presentation and surrender thereof, and payment of the interest when due and payable on the Bond is to be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender thereof.

Section 3. The Bond may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium. If USDA is not the owner of the Bond, the installments of principal of the Bond due on and after June 1, 2036 may be redeemed, without premium, on or after June 1, 2035.

If all or any part of the Bond is redeemed, the Bond Registrar shall send a notice of redemption by registered mail, at least 40 days before the date fixed for redemption, addressed (a) during the time that USDA is the owner of the Bond, to such other address as USDA may designate by registered or certified mail forwarded to the Town at least 50 days before any redemption date, and (b) during any time as an assignee of USDA is not the owner of the Bond, to the address as it appears on the registration book of the Town hereinafter mentioned.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bond or part thereof called for redemption is due and payable at the redemption price provided therefor, plus accrued interest to such date. If money sufficient to pay the redemption price of the Bond or part thereof to be redeemed plus accrued interest thereon to the date set redemption are held at such place as USDA may designate (or, if the Bond has been assigned by USDA, at the corporate trust office of the Trustee under Section 2) in trust for such purpose, interest on the Bond or part thereof called for redemption ceases to accrue, such Bond or part thereof ceases to be entitled to any benefits or security under the Bond Order or to be deemed outstanding, and the registered owners of such Bond or part thereof have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If an installment of principal of the Bond is redeemed, the Bond Registrar shall direct the registered owner thereof to evidence such redemption by appropriate notation on the schedule attached to such Bond for such purpose.

Section 4. The Bond, on surrender thereof at the principal office or corporate trust office of the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for a Bond having maturities corresponding to the maturities of the installments of principal of such Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof, and bearing interest at the same rate.

The transfer of the Bond may be registered by the registered owner thereof only on execution of an assignment thereof duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice, such Bond is to be registered as to both principal and interest on such registration books in the name of

the assignee named in such notice. In no event will the Bond Registrar transfer the Bond to any person other than a bank, an insurance company or a similar financial institution unless the Local Government Commission of North Carolina has previously approved such transfer.

The transfer of any bond issued in exchange for the Bond as provided above may be registered only on the registration books of the Town on the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar. On any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new bond or bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

When the Bond is exchanged or the transfer of the Bond is registered hereunder and a new bond or bonds are to be delivered in exchange therefor, the Bond Registrar shall authenticate and deliver at the earliest practicable time bonds in accordance with the provisions of this resolution. The Bond Registrar shall cancel all Bonds surrendered in any such exchange or registration of transfer. The Bond Registrar is not required to make any such exchange or registration of transfer of (a) any Bond or Bonds during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond or Bonds called for redemption in whole or in part under Section 3.

As to any Bond, the person in whose name it is registered is deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond is to be made only to or on the order of the registered owner thereof or his legal representative. All such payments are valid and effectual to satisfy and discharge the liability on such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Town shall appoint such registrars, transfer agents, depositories or other agents as may be necessary for the registration, registration of transfer and exchange of the Bond within a reasonable time according to then-current commercial standards and for the timely payment of installments of principal and interest with respect to the Bond. The Finance Director of the Town is hereby appointed the registrar, transfer agent and paying agent (the “*Bond Registrar*”) for the Bond, subject to the right of the governing body of the Town to appoint another Bond Registrar, and as such shall keep at her office the books of the Town for the registration, registration of transfer, exchange and payment of the Bond as provided in this resolution; provided, however, that, if the Bond registered in the name of USDA is assigned, the paying agent with respect to such Bond will be the Trustee.

Section 5. The Bond is to bear the manual or facsimile signatures of the Mayor and the Town Clerk, each acting on behalf of the Town, and the corporate seal or a facsimile of the corporate seal of the Town will be impressed or imprinted, as the case may be, on the Bond.

The certificate of the Local Government Commission of North Carolina to be endorsed on the Bond will bear the manual or facsimile signature of the Secretary of said Commission, and the certificate of authentication of the Bond Registrar to be endorsed on the Bonds is to be executed as provided hereinafter.

If any officer of the Town or the Local Government Commission of North Carolina whose manual or facsimile signature appears on the Bond ceases to be such officer before the delivery of such Bond, such manual or facsimile signature is nevertheless valid and sufficient for purposes the same as if he had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures

of such persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond is valid or obligatory for any purpose or entitled to any benefit or security under this resolution until it has been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon are to be in substantially the forms attached as Exhibit A hereto.

Section 6. The Town covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bond and all actions of the Town with respect to the proceeds thereof to comply with Internal Revenue Code of 1986, as amended (the “Code”). In particular, the Town covenants as follows:

(a) At least one of the following two conditions will be satisfied: (i) less than 10% of the proceeds of the Bond reduced by costs of issuance will be used directly or indirectly in the business of a person other than a state or local governmental unit or (ii) less than 10% of the principal or interest on the Bond will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bond reduced by costs of issuance will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bond will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business;

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bond to nongovernmental persons;

(d) It has not and will not enter into any management contract with respect to the facilities financed with the proceeds of the Bond unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient’s gross income for federal income tax purposes of the interest on the Bonds;

(e) The Town acknowledges that the continued exclusion of interest on the Bond from a recipient’s gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code. The Town covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the Bond to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bond to be an “arbitrage bond” for purposes of Section 148 of the Code;

(f) The Bond is not and shall not be “federally guaranteed” as defined in Section 149(b) of the Code;

(g) The Town covenants to file or cause to be filed Form 8038-G in accordance with Section 149(e) of the Code.

Section 7. The Local Government Commission of North Carolina is hereby requested to sell the Bonds at private sale pursuant to G.S. 159-123 to USDA, subject to the approval of the Mayor or her designee; provided, however, that the purchase price of the Bond is at least \$3,007,000 plus 100% of accrued interest, if any, and that the maximum interest rate does not exceed 4.00% per annum.

Section 8. The Mayor is hereby authorized to approve the purchase price of the Bond and the rate of interest on the Bond in connection with the private sale of the Bond, subject to the provisions of Section 7.

Section 9. This resolution may be amended or supplemented, from time to time, without the consent of the holder of the Bond if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the registered owners of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. This resolution may be amended or supplemented with the consent of the registered owners of a majority in aggregate principal amount of the outstanding Bond, but a modification or amendment may not, without the express consent of any registered owner of the Bond affected, reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification.

Any act done pursuant to a modification or amendment consented to by the registered owners of the Bond is binding on all holders of the Bond and will not be deemed an infringement of any of the provisions of this resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this resolution, and after consent has been given, no registered owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the Town from taking any action pursuant to a modification or amendment.

If the Town proposes an amendment or supplemental resolution to this resolution requiring the consent of the registered owners of the Bond, the Town shall cause notice of the proposed amendment to be sent to each registered owner by first-class mail, postage prepaid, to the address of such registered owner as it appears on the registration books; but the failure to receive such notice by mail by any registered owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file in the office of the Finance Director of the Town for inspection by the registered owners. If, within 60 days or such longer period as is prescribed by the Town following the giving of such notice, the registered owners of a majority in aggregate principal amount of the Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

Section 10. This resolution is effective on its passage.

The motion was adopted by a vote of _____.

AYES:

NAYS:

I, ELIZABETH LEWIS, TOWN CLERK OF THE TOWN OF BEAUFORT, NORTH CAROLINA DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution entitled **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF BEAUFORT, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF \$3,007,000 STORMWATER SYSTEM REVENUE BOND, SERIES 2026 OF THE TOWN OF BEAUFORT”** which was adopted by the Board of Commissioners at a regular meeting held on the 8th day of December, 2025, to become effective on thereon.

Town Clerk

EXHIBIT A

REGISTERED BOND WITHOUT COUPONS
(Registered as to both principal and interest)

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
TOWN OF BEAUFORT, NORTH CAROLINA
STORMWATER SYSTEM REVENUE BOND, SERIES 2026**

No. R-1

\$3,007,000

The Town of Beaufort, North Carolina (the “Town”), a municipal corporation in the State of North Carolina, is justly indebted and for value received hereby promises to pay to the

**UNITED STATES OF AMERICA
UNITED STATES DEPARTMENT OF AGRICULTURE,
RURAL DEVELOPMENT**

or its registered assigns, the principal sum of

THREE MILLION SEVEN THOUSAND DOLLARS

with mandatory redemptions on the 1st day of June in the following years and amounts:

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT</u>
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and to pay interest from the date hereof on the unpaid part of such principal sum at the rate of ___% per annum until payment thereof, payable on June 1, 2026, and annually thereafter on the first day of June of each year until paid. The interest so payable on any such interest payment date will be paid to the person in

whose name this Bond is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. Both the principal of and the interest on this Bond are payable in any coin or currency of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts.

During the time that the United States of America is the registered owner of this Bond, payment of the installments of principal and interest when due and payable on this Bond are to be made at the office of such fiscal agent as the United States of America designates without presentation or surrender hereof and, during any such time as an assignee hereof is the registered owner of this Bond, payment of the installments of principal when due and payable on this Bond are to be made at the corporate trust office of the Trustee (as defined in the Bond Order defined herein or a series resolution), on the presentation and surrender hereof, and payment of the interest when due and payable on this Bond will be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender hereof. On receipt of said payments of principal and interest, written acknowledgment of the receipt thereof will be given promptly to the Bond Registrar hereinafter mentioned, and the Town will be fully discharged of its obligation on this Bond to the extent of the payment so made. On final payment, this Bond must be surrendered to the Bond Registrar for cancellation.

This Bond is issued pursuant to and in accordance with Article 5 and Article 9 of Chapter 159 of the General Statutes of North Carolina, both as amended, a bond order (the “*Bond Order*”) adopted by the Board of Commissioners of the Town of Beaufort, North Carolina (the “*Town*”) on March 11, 2024 and effective thereon and a resolution adopted by the Board of Commissioners of the Town on December 8, 2025 (the “*Bond Resolution*”). The proceeds of this Bond are to be used, together with other available funds of the Town, to refund in advance of its maturity a Stormwater System Revenue Bond Anticipation Note (the “*Note*”) in the amount of \$3,007,000 which matures on January 15, 2026 in order to pay the capital costs of construction of various improvements to the Town’s stormwater system (the “*Project*”).

The Bond is a special obligation of the Town payable solely from the Net Revenues (as defined in the Bond Order) of the Town’s System (as defined in the Bond Order) and from the proceeds of the Stormwater System Revenue Bonds of the Town. NEITHER THE CREDIT NOR THE TAXING POWER OF THE TOWN IS PLEDGED FOR THE PAYMENT OF THIS BOND AND NO HOLDER OF THIS BOND HAS THE RIGHT TO COMPEL EXERCISE OF THE TAXING POWER BY THE TOWN OR THE FORFEITURE OF ANY OF THE TOWN’S PROPERTY IN CONNECTION WITH ANY DEFAULT HEREON. Reference is hereby made to the Bond Order and the Bond Resolution and to all amendments and supplements thereto for a description of the provisions, among other, respecting the nature and extent of the security, the rights, duties and obligations of the Town, the rights of the holder of this Bond and the terms on which this Bond is issued and secured.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, this Bond may be exchanged for an equal aggregate principal amount of Bonds having maturities corresponding to the maturities of the installments of principal of this Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof and bearing interest at the same rate.

This Bond is registered as to both principal and interest in the name of the United States of America on books of the Town kept by the Finance Director of the Town, as Bond Registrar, and the transfer hereof may hereafter be registered by the registered owner hereof only on execution of an assignment hereon duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice this Bond is to be registered as to both principal and interest on such registration books in the name of the assignee named in such notice.

This Bond or any part hereof at the time outstanding may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date set redemption, but without any premium. If USDA is not the owner of the Bonds, the Bonds maturing on and after June 1, 2036 may be redeemed, without premium, on or after June 1, 2035.

On the date designated for redemption, notice having been given and money for payment of the redemption price being held in trust for such purposes, all as provided in the Bond Resolution, this Bond or part hereof becomes and is due and payable, and the interest on this Bond or part hereof so redeemed ceases to accrue.

The Bond Registrar is not required to exchange or register any transfer of (a) any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond called for redemption in whole or in part under the Bond Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required, and that the amount of this Bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, the Town, by resolution duly passed, has caused this Bond to be manually signed by the Mayor and the Town Clerk and the Town’s corporate seal to be impressed hereon, all as of the 13th day of January, 2026.

Mayor

[SEAL]

Town Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bonds have been approved under the provisions of The State and Local Government Revenue Bond Act of North Carolina.

By: _____
Jennifer Wimmer
Deputy Secretary of the Local Government Commission

[SIGNATURE PAGE TO TOWN OF BEAUFORT, NORTH CAROLINA
STORMWATER SYSTEM REVENUE BOND, SERIES 2026]

CERTIFICATE OF AUTHENTICATION

This Bond is issued under the provisions of the within-mentioned Resolution.

**FINANCE DIRECTOR OF THE TOWN,
AS BOND REGISTRAR**

Authorized Signature

Date of authentication: _____, 2026

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto:

(Please print or typewrite Name, Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
www.beaufortnc.org

**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: Old Business
SUBJECT: Adoption of Proposed F3 Marina Budget Ordinance, FY 2026 Fee Schedule and Budget Amendment #3

SUMMARY/ACTION ITEMS:

Attached please find the proposed F3 Marina operating budget and the updated Beaufort Town Docks fee schedule prepared by Lori Meehan, incorporating recommendations from the BWO. As a reminder, Fund 14 has been established as an Enterprise Fund for the Beaufort Town Docks, and the corresponding budget ordinance is attached.

Additionally, a budget amendment is required to transfer \$472,000 from the Waterfront Improvement Project Fund to the Enterprise Fund to provide necessary working capital.

Staff respectfully requests the following actions:

1. Amend the FY 2026 Fee Schedule to include the updated Beaufort Town Docks fees for the period of January 2026 through June 30, 2026.
2. Approve the Budget Ordinance for the Docks Enterprise Fund.
3. Approve Budget Amendment #3 to transfer \$472,000 from the Waterfront Improvement Project Fund to the Town Docks Enterprise Fund for working capital.

SUBMITTED BY: Christi Wood, Finance Director

BUDGET AMENDMENT REQUIRED: Yes

BEAUFORT TOWN DOCKS
FY2026 Initial Operating Budget
Draft Budget 11/5/2025 Reflects a 6 month period January 1 - June 30, 2026

	FY2026	January	February	March	April	May	June
Category	Proposed Budget	7	8	9	10	11	12
Income							
4025 Slip Rental - Annual	20,160.00	3,360.00	3,360.00	3,360.00	3,360.00	3,360.00	3,360.00
4030 Slip Rental - Monthly	47,250.00	15,750.00	15,750.00	15,750.00	-	-	-
4035 Slip Rental - Transient	611,187.51	-	-	-	203,729.17	203,729.17	203,729.17
4040 Slip Rental - Commercial	46,447.50	7,741.25	7,741.25	7,741.25	7,741.25	7,741.25	7,741.25
4045 Slip Rental - Electricity	56,350.00	9,391.67	9,391.67	9,391.67	9,391.67	9,391.67	9,391.67
4090 Marina - Discount	-	-	-	-	-	-	-
4095 Slip Discount	-	-	-	-	-	-	-
Total 4000 Sales - Water	781,395.01	36,242.92	36,242.92	36,242.92	224,222.09	224,222.09	224,222.09
4205 Fuel - Gasoline	-	-	-	-	-	-	-
4215 Fuel - Diesel	1,200,000.00	-	-	-	400,000.00	400,000.00	400,000.00
4315 Merchandise - Food	-	-	-	-	-	-	-
4320 Merchandise - Beverage	-	-	-	-	-	-	-
4325 Merchandise - General	-	-	-	-	-	-	-
4330 Merchandise - Apparel	-	-	-	-	-	-	-
4335 Merchandise - Boat Accessories	-	-	-	-	-	-	-
4340 Merchandise - Ice	1,750.00	100.00	150.00	200.00	200.00	500.00	600.00
4345 Merchandise - Gifts	-	-	-	-	-	-	-
4350 Merchandise - Jewelry	-	-	-	-	-	-	-
4360 Merchandise - Store Discounts	-	-	-	-	-	-	-
Total 4200 Sales - Retail	1,201,750.00	100.00	150.00	200.00	400,200.00	400,500.00	400,600.00
4725 Pumpout	-	-	-	-	-	-	-
4745 Pavilion Rental	-	-	-	-	-	-	-
4740 Key Cards	-	-	-	-	-	-	-
Credit Card Surcharge Fee Income	59,494.35	1,090.29	1,091.79	1,093.29	18,732.66	18,741.66	18,744.66
Total 4700 Sales - Other	59,494.35	1,090.29	1,091.79	1,093.29	18,732.66	18,741.66	18,744.66
Total Income	2,042,639.36	37,433.21	37,484.71	37,536.21	643,154.75	643,463.75	643,566.75
500 Cost of Goods Sold							
5005 COGS - Fuel - Gasoline	-	-	-	-	-	-	-
5010 COGS - Fuel - Diesel	900,000.00	-	-	-	300,000.00	300,000.00	300,000.00
5015 COGS - General	-	-	-	-	-	-	-
5020 COGS - Service Parts	-	-	-	-	-	-	-
5025 COGS - Food	-	-	-	-	-	-	-
5030 COGS - Beverage	-	-	-	-	-	-	-
5035 COGS - Boat Accessories	-	-	-	-	-	-	-
5040 COGS - Apparel	-	-	-	-	-	-	-
5045 COGS - Ice	875.00	50.00	75.00	100.00	100.00	250.00	300.00
5050 COGS - Gifts	-	-	-	-	-	-	-
5055 COGS - Jewelry	-	-	-	-	-	-	-
5060 5060 COGS - Spoilage	-	-	-	-	-	-	-
5100 Vendor Service & Delivery Fees	-	-	-	-	-	-	-
Inventory Shrinkage	-	-	-	-	-	-	-
Total COGS	900,875.00	50.00	75.00	100.00	300,100.00	300,250.00	300,300.00
Gross Profit	1,141,764.36	37,383.21	37,409.71	37,436.21	343,054.75	343,213.75	343,266.75
Operating Expenses							
6005 Payroll - Wages	207,244.90	28,807.82	28,807.82	28,807.82	40,273.82	40,273.82	40,273.82
7010 Bank Fees	-	-	-	-	-	-	-
7025 Computer Services	7,850.67	6,475.67	275.00	275.00	275.00	275.00	275.00
7030 Contract Labor	-	-	-	-	-	-	-

7035 Contract Services	-	-	-	-	-	-	-
7040 Customer Relations	-	-	-	-	-	-	-
7050 Credit Card Fees	59,494.35	1,090.29	1,091.79	1,093.29	18,732.66	18,741.66	18,744.66
7055 Dues & Subscriptions	499.98	83.33	83.33	83.33	83.33	83.33	83.33
7070 Employee Training	-	-	-	-	-	-	-
7075 Equipment Lease	-	-	-	-	-	-	-
7085 Insurance	80,000.00	13,333.33	13,333.33	13,333.33	13,333.33	13,333.33	13,333.33
7090 Internet Expenses	4,200.00	700.00	700.00	700.00	700.00	700.00	700.00
7095 License & Permits	1,000.00	166.67	166.67	166.67	166.67	166.67	166.65
7100 Management Fee	61,279.18	1,123.00	1,124.54	1,126.09	19,294.64	19,303.91	19,307.00
7105 Marketing	28,833.33	7,166.67	5,000.00	4,166.67	4,166.67	4,166.67	4,166.65
7115 Miscellaneous Expense	-	-	-	-	-	-	-
7120 Office Supplies	6,000.00	6,000.00	-	-	-	-	-
7135 Postage	-	-	-	-	-	-	-
7150 Professional Fees - Other	-	-	-	-	-	-	-
7155 Promotion & Events	-	-	-	-	-	-	-
7160 Rents - Office & Other	-	-	-	-	-	-	-
7210 R&M - Docks	25,000.00	4,166.66	4,166.66	4,166.66	4,166.66	4,166.66	4,166.70
7220 R&M - Equipment	-	-	-	-	-	-	-
7225 R&M - Fuel Equipment	-	-	-	-	-	-	-
7230 R&M - General	8,621.74	-	-	-	-	-	8,621.74
7235 R&M - Grounds & Landscaping	3,000.00	500.00	500.00	500.00	500.00	500.00	500.00
7240 R&M - Office & Building	-	-	-	-	-	-	-
7250 R&M - Vehicle Expense	-	-	-	-	-	-	-
7310 Signage	-	-	-	-	-	-	-
7405 S&E - Fuel Equipment	-	-	-	-	-	-	-
7410 S&E - General	-	-	-	-	-	-	-
7415 S&E - Guest	-	-	-	-	-	-	-
7425 S&E - Restrooms	-	-	-	-	-	-	-
7500 Taxes - Other	-	-	-	-	-	-	-
7510 Taxes - Real Estate	-	-	-	-	-	-	-
7515 Telephone & Communications	1,500.00	250.00	250.00	250.00	250.00	250.00	250.00
7520 Trade Shows	-	-	-	-	-	-	-
7525 Travel Expense	3,000.00	-	3,000.00	-	-	-	-
7530 Uniforms	900.00	900.00	-	-	-	-	-
7605 Utilities - Electricity	49,000.00	8,166.67	8,166.67	8,166.67	8,166.67	8,166.67	8,166.67
7610 Utilities - Gas	-	-	-	-	-	-	-
7615 Utilities - Heating	-	-	-	-	-	-	-
7620 Waste Removal	6,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
7625 Utilities - Water/Sewer	7,500.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
7635 Bank Service Charges	-	-	-	-	-	-	-
Total Operating Expenses	560,924.15	81,180.11	68,915.81	65,085.53	112,359.45	112,377.72	121,005.55
Net Operating Income	580,840.21	(43,796.90)	(31,506.10)	(27,649.32)	230,695.30	230,836.03	222,261.20
Non Operating Expenses							
7014 Brokerage - Broker Commissions	-	-	-	-	-	-	-
7140 Professional Fees - Accounting	-	-	-	-	-	-	-
7145 Professional Fees - Legal	-	-	-	-	-	-	-
Capex (Insurance Savings)	50,000.00	50,000.00	-	-	-	-	-
Wifi Setup	10,000.00	10,000.00	-	-	-	-	-
Website Build Out	10,000.00	10,000.00	-	-	-	-	-
Dredge	50,000.00	50,000.00	-	-	-	-	-
Debt Service	143,000.00	-	-	-	-	-	143,000.00
8030 Depreciation	-	-	-	-	-	-	-
8035 Amortization	-	-	-	-	-	-	-
Total Non Operating Expenses	263,000.00	120,000.00	-	-	-	-	143,000.00
Net Income	317,840.21	(163,796.90)	(31,506.10)	(27,649.32)	230,695.30	230,836.03	79,261.20

Beaufort Town Docks

Draft Fee Schedule

January 1 – June 30, 2026

Transient Boat rental	\$1.95 – \$3.95 per foot (per night) 35 foot minimum \$3.75 - \$5.75 per foot (per night) 50 foot minimum \$4.95 – \$6.95 per foot (per night) linear feet T head up to 80’ \$5.95 - \$7.95 per foot (per night) linear feet T head 81-99’ \$6.95 - \$8.95 per foot (per night) linear feet T head 100’ and greater Catamarans inside of D dock pay for two slips: \$3.75 - \$5.75 per foot (per night) 50 foot minimum x 2
Commercial Operators	\$13.50 per foot (monthly)
Annual Slip rental	\$16.00 per foot (monthly)
Winter Dockage January 1 – March 31, 2026	\$10.50 per foot (monthly) with a minimum of 50 feet
Day Dock Fee	Free up to 3-hours \$1.95 - \$3.95 per foot (per night) if they remain docked
Daily Electric Panel Charges	
30 amp	\$15 per night per cord
50 amp	\$30 per night per cord
100 amp	\$60 per night single phase / \$120 per night 3-phase
Monthly Electric Panel Charges	
30 amp	\$125 per month per cord
50 amp	\$250 per month per cord
100 amp	\$500 per month single phase / \$1000 per month 3-phase



**TOWN OF BEAUFORT
ENTERPRISE FUND BUDGET ORDINANCE
BEAUFORT TOWN DOCKS**

AN ORDINANCE ADOPTING THE BEAUFORT TOWN DOCKS BUDGET OF THE TOWN OF BEAUFORT, NORTH CAROLINA FOR THE FISCAL YEAR 2026, BEGINNING JANUARY 1, 2026, NAD ENDING JUNE 30, 2026.

BE IT ORDAINED by the Board of Commissioners by the Town of Beaufort, North Carolina that the following Budget Ordinance is adopted in accordance with Chapter 159 of the General Statutes of North Carolina.

SECTION I: REVENUE

It is estimated that the following **revenues** will be available in the Beaufort Town Docks Fund during the fiscal year:

FEES	\$ 781,395
SALES	\$ 1,261,245
TRANSFERS IN	\$ 472,000
TOTAL REVENUE	\$ 2,514,640

SECTION II: EXPENDITURES

The following amounts are hereby **appropriated** for the operation of the Beaufort Town Docks for the fiscal year:

DOCKS	\$ 2,514,640
TOTAL EXPENDITURES	\$ 2,514,640

SECTION III: BUDGET ORDINANCE CONTROL & FINANCIAL ADMINISTRATION

- (1) The **Budget Officer** is hereby authorized to transfer amounts **within** departments/functions of the **Enterprise Fund** as needed, consistent with **G.S. 159-15**.
- (2) The Budget Officer may not transfer monies **between functions** nor increase the total appropriations without action from the governing board.
- (3) All financial transactions of this fund shall be accounted for in accordance with the **Local Government Budget and Fiscal Control Act**.

Copies of this ordinance shall be furnished to the Town Manager and Finance Officer to be kept on file for their direction in the disbursement of funds for carrying out this project.

Adopted this 12th day of July 2021.

SECTION IV: USER FEES

The **Schedule of Rates, Fees, and Charges** for the Beaufort Town Docks, as adopted on December 8, 2025 or amended by the governing board, is hereby incorporated by reference and shall remain in effect until modified by the board.

SECTION V: DISTRIBUTION

Copies of this ordinance shall be furnished to the Town Manager and Finance Officer to be kept on file for their direction in the disbursement of funds for carrying out this project.
Adopted this 8th day of December 2025.

ATTEST:

Elizabeth Lewis
Town Clerk

Sharon E. Harker
Mayor



**TOWN OF BEAUFORT
CAPITAL PROJECT BUDGET AMENDMENT #3
WATERFRONT IMPROVEMENT PROJECT**

WHEREAS, the Town of Beaufort adopted a Capital Project Budget Ordinance for Waterfront Improvement Project on August 14, 2023 and

WHEREAS, the Board of Commissioners recognizes that periodic modifications to the revenues and expenditures for capital projects may be necessary for fiscal management purposes and to implement the decisions of the Board of Commissioners;

BE IT THEREFORE ORDAINED that the Board of Commissioners of the Town of Beaufort amend the Capital Project Budget Ordinance for Waterfront Improvement Project as follows:

- Transfer funds of \$472,000, from this project fund to Enterprise Fund 14- Beaufort Town Docks for working capital. The construction transactions of the fuel tank farm will remain in Capital Project Fund Waterfront Improvement.

SECTION I: REVNUUE

DECREASE

TRANSFER FROM CAPITAL RESERVE FUND- BOARDWALK	\$ 472,000
TOTAL DECREASE	\$ 472,000

SECTION II: EXPENDITURES

DECREASE

WIP- ENGINEER/DESIGN	\$ 472,000
TOTAL DECREASE	\$ 472,000

SECTION III: DISTRIBUTION

Copies of this ordinance shall be furnished to the Town Manager and Finance Officer to be kept on file for their direction in the disbursement of funds for carrying out this project.

Adopted this 8th day of December 2025.

ATTEST:

Elizabeth Lewis
Town Clerk

Sharon E. Harker
Mayor



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516
www.beaufortnc.org

**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: New Business
SUBJECT: Budget Amendments for Pump Station #7
BRIEF SUMMARY:

FY 2026 Budget Amendment #3

- Requests the appropriation of Utility Fund Balance for \$511,000. Currently, the Project Fund #67 (for pump station #7) has an available balance of \$989,000. These funds were made available from the American Rescue Plan Act. Based on the low bid received from Tommy Simpson Construction, an additional \$511,000 is needed to complete the total project of ~\$1,500,000.

Capital project #2 – Utilities

- Requests to receive the appropriation of fund balance from the Utility Fund as a transfer into the Capital Project fund for the work on Pump Station #7.

Note on Utility Fund Balance

- ~\$5M unassigned fund balance
- ~\$2.6M not available (50% of expenditures per Financial Policy)
- ~\$2.3M available to appropriate
- This request is for \$511,000 of the \$2.3M available ~22%

REQUESTED ACTION:

Approve FY 26 Budget Amendment #3 and Capital Project – Utilities Budget Amendment #2

EXPECTED LENGTH OF PRESENTATION:

5 minutes

SUBMITTED BY:

Christi Wood, Finance Director

BUDGET AMENDMENT REQUIRED:

Yes



**TOWN OF BEAUFORT
CAPITAL PROJECT BUDGET AMENDMENT #2
UTILITIES**

BE IT ORDAINED by the Board of Commissioners by the Town of Beaufort that the following Capital Project Budget Ordinance is amended in accordance with Section 13.2 of Chapter 159 of the General Statutes of North Carolina.

SECTION I: REVNUUE

This budget amendment requests the appropriation of funds needed from Utility Fund Balance for Pump Station #7

TRANSFER IN FROM UTILITY FUND.....\$ 511,000
TOTAL INCREASE IN REVENUE.....\$ 511,000

SECTION II: EXPENDITURES

SEWER.....\$ 511,000
TOTAL INCREASE IN EXPENDITURES.....\$ 511,000

SECTION III: DISTRIBUTION

Copies of this ordinance shall be furnished to the Town Manager and Finance Officer to be kept on file for their direction in the disbursement of funds for carrying out this project.

Adopted this 8th day of December 2025.

ATTEST:

Elizabeth Lewis
Town Clerk

Sharon E. Harker
Mayor



**TOWN OF BEAUFORT
FY 2026 BUDGET AMENDMENT #3**

WHEREAS, the Town of Beaufort adopted its Fiscal Year 2026 Budget through Ordinance on June 9, 2025, and

WHEREAS, the Board of Commissioners recognizes that periodic modifications to the estimated revenues and expenditures for the fiscal year may be necessary for fiscal management purposes and to implement decisions of the Board of Commissioners;

BE IT THEREFORE ORDAINED that the Board of Commissioners amends the Fiscal Year 2026 Budget as follows:

SECTION III: UTILITY FUND

This amendment requests the appropriation of Fund Balance for Pump Station #7.

A. REVENUE

<u>INCREASE</u>	
APPROPRIATED FUND BALANCE.....	\$ 511,000
TOTAL INCREASE	\$ 511,000

B. EXPENDITURES AUTHORIZED BY DEPARTMENT

<u>INCREASE</u>	
NON-DEPARTMENTAL (Transfer to Capital project Fund).....	\$ 511,000
TOTAL INCREASE	\$ 511,000

SECTION VI: DISTRIBUTION

Copies of this ordinance shall be furnished to the Town Manager and Finance Officer to be kept on file for their direction in the disbursement of funds.

Adopted this 8th day of December 2025.

ATTEST:

Elizabeth Lewis
Town Clerk

Sharon E. Harker
Mayor



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516 252-728-2141 - 252-728-3982 fax - www.beaufortnc.org

**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025**

AGENDA CATEGORY: New Business
SUBJECT: Award of Construction Contracts
Pump Station No.7 Replacement Project

BRIEF SUMMARY:

Sealed bids for the construction of the Pump Station No.7 Replacement project were received on Thursday, November 6, 2025. Four bids were received for the project with Thomas Simpson Construction Co being the apparent low bidder.

Examination of the attached bid tabulation and review of each bid for completeness and correctness confirmed that Thomas Simpson Construction Co produced the lowest responsible bid at a total dollar amount of \$1,448,618.00 for the construction of a new lift station for the replacement of sewer pump station No.7.

Given the foregoing, Town staff recommends award of a construction contract to Thomas Simpson Construction Company.

REQUESTED ACTION:

Consider awarding construction contract to Thomas Simpson Construction Company.

EXPECTED LENGTH OF PRESENTATION:

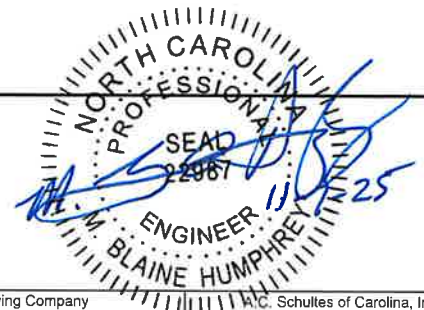
10 minutes

SUBMITTED BY:

Sam Bell, PE, Town Engineer

BUDGET AMENDMENT REQUIRED:

Yes



**RIVERS AND ASSOCIATES, INC.
 BID TABULATION SHEET**

CERTIFICATION

I CERTIFY THAT THIS IS A TRUE RECORD OF BIDS RECEIVED.

OWNER: Town of Beaufort
 PROJECT: Pump Station #7 Replacement
 LOCATION: Beaufort Train Depot
 614 Broad Street, Beaufort, NC 28516
 BIDS OPENED Thursday, November 6, 2025 at 2:00pm

CONTRACTOR ADDRESS	Thomas Simpson Construction Co. 1507 Live Oak Street, Ste. A Beaufort, NC 28516 17758 / 5%	Cieszko Construction Company 249 U.S. Hwy 70 West Havelock, NC 28532 2775 / 5%	T.A. Loving Company 400 Patetown Road Goldsboro, NC 27530 325 / 5%	Schulles of Carolina, Inc. 354 Sawdust Road Rocky Point, NC 28457 48474 / 5%
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ITEM NO.	QTY.	UNI DESCRIPTION	UNIT PRICE			UNIT PRICE			UNIT PRICE			UNIT PRICE		
			PRICE	COST	ALTERNATE	PRICE	COST	ALTERNATE	PRICE	COST	ALTERNATE	PRICE	COST	ALTERNATE
BASE BID:														
1.	1	LS Mobilization and Bonding (not to exceed 3%)		\$30,000.00			\$53,316.00			\$50,000.00			\$64,116.00	
2.	1	LS Pump Station and Sitework (Base Bid)		\$1,106,785.00			\$1,535,000.00			\$1,584,728.64			\$1,465,000.00	
2a.	1	LS Pump Station and Sitework w/ Flygt Pumps			\$1,106,785.00			\$1,535,000.00			\$1,584,728.64			\$0.00
3.	1	LS Telemetry (Base Bid)		\$8,595.00			\$7,100.00			\$10,500.00			\$15,000.00	
3a.	1	LS Telemetry using Mission Alternate			\$8,595.00			\$7,100.00			\$10,500.00			\$0.00
4.	1	EA New 4' Watertight Manhole (8' - 10')		\$12,000.00			\$11,250.00			\$10,750.00			\$25,000.00	
5.	2	EA New 4' Watertight Manhole (10' - 12')		\$25,000.00			\$26,200.00			\$22,500.00			\$60,000.00	
6.	1	EA New 4' Watertight Manhole (12' - 14')		\$14,550.00			\$14,500.00			\$11,750.00			\$35,000.00	
7.	17	LF 8" PVC Gravity Sewer Pipe (8' - 10')	\$182.00	\$3,094.00		\$167.00	\$2,839.00		\$185.00	\$3,145.00	\$1,000.00		\$17,000.00	
8.	15	LF 8" PVC Gravity Sewer Pipe (10' - 12')	\$182.00	\$2,730.00		\$163.00	\$2,445.00		\$190.00	\$2,850.00	\$1,250.00		\$18,750.00	
9.	27	LF 10" PVC Gravity Sewer Pipe (8'-10')	\$190.00	\$5,130.00		\$130.00	\$3,510.00		\$195.00	\$5,265.00	\$1,250.00		\$33,750.00	
10.	202	LF 10" PVC Gravity Sewer Pipe (10'-12')	\$190.00	\$38,380.00		\$150.00	\$30,300.00		\$200.00	\$40,400.00	\$500.00		\$101,000.00	
11.	51	LF 10" PVC Gravity Sewer Pipe (12'-14')	\$190.00	\$9,690.00		\$160.00	\$8,160.00		\$225.00	\$11,475.00	\$1,000.00		\$51,000.00	
12.	68	LF 8" RJPVC Forcemain	\$273.00	\$18,564.00		\$266.00	\$18,088.00		\$200.00	\$13,600.00	\$500.00		\$34,000.00	
13.	105	LF 8" PVC Forcemain	\$110.00	\$11,550.00		\$165.00	\$17,325.00		\$200.00	\$21,000.00	\$500.00		\$52,500.00	
14.	1	EA Manual Air Release Valve	\$4,700.00	\$4,700.00		\$2,650.00	\$2,650.00		\$6,250.00	\$6,250.00	\$3,500.00		\$3,500.00	
15.	1	EA Tie-In Existing 6" Forcemain to New 8" Forcemain	\$14,100.00	\$14,100.00		\$16,850.00	\$16,850.00		\$21,500.00	\$21,500.00	\$15,000.00		\$15,000.00	

RIVERS AND ASSOCIATES, INC.
BID TABULATION SHEET

OWNER: Town of Beaufort
 PROJECT: Pump Station #7 Replacement
 LOCATION: Beaufort Train Depot
 614 Broad Street, Beaufort, NC 28516
 BIDS OPENED Thursday, November 6, 2025 at 2:00pm

CONTRACTOR ADDRESS		Thomas Simpson Construction Co. 1507 Live Oak Street, Ste. A Beaufort, NC 28516 17758 / 5%			Cieszko Construction Company 249 U.S. Hwy 70 West Havelock, NC 28532 2775 / 5%			T.A. Loving Company 400 Palatow Road Goldsboro, NC 27530 325 / 5%			A.C. Schultes of Carolina, Inc. 354 Sawdust Road Rocky Point, NC 28457 48474 / 5%		
LIC#/BID BOND													
ITEM NO.	QTY. UNI DESCRIPTION	UNIT PRICE	COST	ALTERNATE	UNIT PRICE	COST	ALTERNATE	UNIT PRICE	COST	ALTERNATE	UNIT PRICE	COST	ALTERNATE
16.	1 EA Tie-In Existing MH (7-1) to New 4' Manhole (7-39)	\$10,350.00	\$10,350.00		\$5,550.00	\$5,550.00		\$9,500.00	\$9,500.00		\$25,000.00	\$25,000.00	
17.	1 LS Abandon Existing Pump Station	\$50,000.00	\$50,000.00		\$23,760.00	\$23,760.00		\$15,000.00	\$15,000.00		\$30,000.00	\$30,000.00	
18.	55 LF Abandon 8" Gravity Sewer w/Flowable Fill	\$45.00	\$2,475.00		\$38.00	\$2,090.00		\$21.51	\$1,183.05		\$200.00	\$11,000.00	
19.	3 EA Cap and Abandon 8" Gravity Sewer	\$2,600.00	\$7,800.00		\$831.00	\$2,493.00		\$3,778.76	\$11,336.28		\$2,500.00	\$7,500.00	
20.	50 SY Asphalt Pavement Replacement	\$60.00	\$3,000.00		\$265.00	\$13,250.00		\$150.00	\$7,500.00		\$100.00	\$5,000.00	
21.	400 LF Silt Fence	\$5.00	\$2,000.00		\$8.50	\$3,400.00		\$5.00	\$2,000.00		\$25.00	\$10,000.00	
22.	3 EA Silt Fence Outlet	\$400.00	\$1,200.00		\$260.00	\$780.00		\$500.00	\$1,500.00		\$500.00	\$1,500.00	
23.	1 EA Straw Wattle	\$325.00	\$325.00		\$100.00	\$100.00		\$200.00	\$200.00		\$500.00	\$500.00	
24.	1 EA Pipe Inlet Protector	\$500.00	\$500.00		\$750.00	\$750.00		\$750.00	\$750.00		\$500.00	\$500.00	
25.	1 EA Temporary Construction Entrance	\$4,500.00	\$4,500.00		\$5,400.00	\$5,400.00		\$3,000.00	\$3,000.00		\$12,000.00	\$12,000.00	
26.	1,000 LB: Additional Ductile Iron Fittings	\$16.00	\$16,000.00		\$20.00	\$20,000.00		\$10.00	\$10,000.00		\$15.00	\$15,000.00	
27.	20 CY Stabilization Stone	\$130.00	\$2,600.00		\$135.00	\$2,700.00		\$125.00	\$2,500.00		\$100.00	\$2,000.00	
28.	100 CY Select Backfill	\$32.00	\$3,200.00		\$27.00	\$2,700.00		\$50.00	\$5,000.00		\$25.00	\$2,500.00	
29.	1 LS Bypass Pumping		\$19,800.00			\$23,450.00			\$15,317.03			\$35,000.00	
30.	1 LS Electrical Service Allowance		\$10,000.00			\$10,000.00			\$10,000.00			\$10,000.00	
31.	1 LS Testing Allowance		\$10,000.00			\$10,000.00			\$10,000.00			\$10,000.00	
TOTAL BASE BID		\$1,448,618.00			\$1,875,956.00			\$1,920,500.00			\$2,168,116.00		
Total Value of Minority Business Contracting (MB-1)		\$28,750.00			\$0.00			\$15,000.00			\$16,000.00		
Listing of Good Faith Efforts (MB-2)		65 Points			50 Points			90 Points			75 Points		
Electrical Sub Contractor		J.E. Hibbs Electric 20527-U Flygt Tnemec			J.E. Hibbs Electric 20527-U Flygt Tnemec			J.E. Hibbs Electric 20527-U Flygt Tnemec			Wilson Rhodes Electric 03557 Flygt Tnemec		
Equipment Listing:		ASCO MTU Square D			ASCO MTU Square D			ASCO MTU Square D			ASCO MTU Square D		
E-Verify Certification		No			No			Yes			Yes		



Town of Beaufort, NC

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516 252-728-2141 - 252-728-3982 fax - www.beaufortnc.org

**Board of Commissioners
Regular Meeting
6:00 PM Monday, December 8, 2025
Train Depot, 614 Broad Street
Beaufort, NC 28516**

AGENDA CATEGORY: New Business

SUBJECT: Beaufort Business Association’s 2026 Mardi Gras Parade

AGENDA SUMMARY

The Beaufort Business Association (BBA) has submitted a special event application to host the annual Mardi Gras Parade and Festival on Saturday, February 21, 2026. Attached are the application materials and two maps illustrating the proposed parade route and planned road closures.

On November 17, 2025, BBA representative Kristen Prescott met with Community Engagement Director Jen Welborn and members of the Police Department to review the operational details of the event. The Fire Department and Public Works reviewed the application electronically. All departments report no concerns with the event as proposed.

The festival is planned for 11:00 AM to 4:00 PM along Middle Lane and within the Craven Street Parking Lot, with an estimated 800 attendees. The parade lineup will begin at 2:30 PM, and the parade will run from 3:00 PM to 4:00 PM, starting on Gordon Street, traveling along Front Street, and turning onto Orange Street.

Requested road closures include Front Street and the 100 block of Turner Street, as well as Middle Lane and the Craven Street Parking Lot for the duration of the festival. The Craven Street Parking Lot will host food trucks, ending service at 5:00 PM, with reopening anticipated by 6:00 PM, subject to crowd control conditions determined by the Police Department.

To promote safety, no full-size vehicles will be permitted in the parade; however, golf carts will be allowed. The BBA will provide designated volunteers to assist with roadway and pedestrian safety. Beaufort Police Department will provide initial event security, and the BBA will supplement this with off-duty police officers as needed. Vendors will be located along Front Street and Middle Lane, and participating businesses may sell alcohol under the appropriate ABC permits. The BBA has secured insurance that specifically includes coverage for a “parade with items thrown.” Town staff have reviewed the application and supporting documents and have no logistical concerns with the event as submitted.

REQUESTED ACTION:

Approve or deny the special event application as presented, including:

- Closure of the 100 block of Turner Street, Middle Lane, and the Craven Street Parking Lot (behind Backstreet) for the duration of the event; and
- Approval of alcohol waivers for these areas during the event.

Approval of the application will allow the Beaufort Business Association to proceed with planning and hosting the 2026 Mardi Gras Parade and Festival.

SUBMITTED BY: Jennifer Welborn, Community Engagement Director
Kristen Prescott, Beaufort Business Association

BUDGET AMENDMENT REQUIRED: No

