

April 10, 2025

At the Regular Called Meeting of the Mayor and Board of Aldermen/women of the Town of Canton held at the Town Hall at 85 Summer Street, April 10, 2025, at 6:00pm with Mayor Smathers, and Aldermen/women Mull, Hamlett, Shepard, and Proctor present, the following proceedings were held.

A. Call to Order

Mayor Smathers called the meeting to order at 6:00 p.m.

B. Roll Call

Mayor Smathers stated that Manager Stinnett, Assistant Manager Walker, Clerk Dunbar, and Town Attorney Morgan were present.

C. Pledge/Invocation

Alderwoman Mull led the Pledge of Allegiance.

D. Approval of Minutes:

Alderman Hamlett made a motion to approve March 27, 2025, minutes as presented. Alderman Shepard seconded the motion. All were in favor of the motion and the motion carried.

E. Mayor Comments

Mayor Smathers stated that he and Clerk Dunbar met with the Carolina Hurricanes foundation yesterday at the playground. Mayor Smathers thanked the Carolina Hurricanes Foundation for their \$100,000 donation to the playground and then thanked them for coming to Canton to visit. Mayor Smathers stated that the Carolina Hurricanes Foundation spoke highly of Clerk Dunbar during dinner yesterday evening, and Mayor Smathers thanked Josh Piurowski and the rest of the Street Department for their work with the playground and the cleanup around Town.

F. Aldermen/women Comments

Alderwoman Mull thanked everyone for coming to the budget presentation.

Alderman Hamlett stated that most of the time he says far too much, but tonight I will say far too little.

Alderwoman Proctor thanked everyone for being here and thanked the department heads for coming back into work. Alderwoman Proctor stated that she was looking forward to hearing from town staff about the budget presentation.

Alderman Shepard thanked town staff for coming to the Board meeting tonight and for their work this week.

G. Public Comments:

There were no public comments

H. Manager's Reports

Cash:

Tax:

Manager Updates: There were no updates from the manager

J. New Business

1. Annexation Resolution

Manager Stinnett presented to the Board a new Town Clerk resolution which allows Clerk Dunbar to investigate new annexations, and to

ensure that they meet the proper guidelines. Mayor Smathers asked Manager Stinnett if this included fire and water guidelines. Manager Stinnett answered Mayor Smathers, yes, this included fire and water. Alderman Hamlett made a motion to approve the Town Clerk Annexation Resolution. Alderwoman Proctor seconded the motion. All voted in favor of the motion and the motion carried.

2. ABC Board appointment

Manager Stinnett stated that Brandon Crawford was recommended to the ABC board to take Neil McCracken who had to step down because of health issues. Alderman Shepard made a motion to approve Brandon Crawford for the ABC board. Alderwoman Mull seconded the motion. All voted in favor of the motion and the motion carried.

3. Budget Amendment

Assistant Manager Walker presented the Board with a budget amendment for the Fire department. Assistant Manager Walker stated that the budget Amendment will increase their revenue for a grant they received, and this will increase their departmental supplies to spend the funds that were awarded. Alderwoman Mull made a motion to approve the budget amendment. Alderwoman Proctor seconded the motion. All voted in favor of the motion and the motion carried.

Chief Wheeler thanked Jessey Hall for her work getting the grant and he told the Board she has done a great job.

4. New ARPA Policies

Manager Stinnett presented the Board with new ARPA policies that the Town is required to have to be eligible for ARPA funding. Manager Stinnett listed the names of the new policies, they are Internal Control Policy, Record Retention Policy, Non-discrimination Policy, Eligible Use Policy, Conflict of Interest Policy, Allowable Cost and Principles of

Expenditures Policy. Alderwoman Mull made a motion to approve the new ARPA policies. Alderman Hamlett seconded the motion. All voted in favor of the motion and the motion carried.

5. 225 Park Street: Harper Construction Contract

Manager Stinnett stated that Harper General Contractors were chosen for the design and build of 225 Park St. Manager Stinnett stated that the total cost for this project was \$672,203 which is all grant funded. Manager Stinnett stated that there are two things that needed to be changed in the contract. Byron Hickox told the Board the changes included, that Harper list all their subcontractors in the contract, and Mr. Hickox believes they mistakenly copied and paste the RFQ into the contract. Mr. Hickox stated that Harpers legal team must review these changes before added to the contract. Alderwoman Mull made a motion to approve the Design and Build Contract from Harper Construction contingent that the two contract items are resolved. Alderman Hamlett seconded the motion. All voted in favor of the motion and the motion carried.

6. Pool Fence Contract: Asheville Fence

Manager Stinnett presented the Board with the pool fence contract from Asheville Fence. Alderwoman Proctor made a motion to approve the contract from Asheville Fence. Alderwoman Mull seconded the motion. All voted in favor of the motion and the motion carried.

7. Water Treatment Resolution

Manager Stinnett stated she needed approval of the Water Treatment Resolution plan that was enacted in 2023. Manager Stinnett that this needs to be approved every year for them to accept our local water supply. Alderwoman Mull made a motion to approve the Water Treatment Resolution plan. Alderman Shepard seconded the motion. All voted in favor of the motion and the motion carried.

8. Phase 2 filter plant project

Manager Stinnett presented the Board with the second phase of the

filter plant project. Manager Stinnett stated that this is the budget for the project of \$1.89 Million, Manager Stinnett stated that this will be pending DWI, but we need approval for code utility. Alderwoman Mull made a motion to approve phase 2 for the filter plant. Alderwoman Proctor seconded the motion. All voted in favor of the motion and the motion carried.

9. Public hearing

Manager Stinnett stated that May 22nd at 6pm should be the date for the budget hearing. Alderman Shepard made a motion to set the public hearing for the budget on May 22nd. Alderwoman Proctor seconded the motion. All voted in favor of the motion and the motion carried.

10. Budget Work Session

Manager Stinnett stated that this year's budget theme is onward and upward. Manager Stinnett stated that it will not be pretty, but because of the staff we will move forward.

Assistant Manager Walker presented the budget work session to the Board. Assistant Manager Walker spoke about Hurricane Helene and how the storm can hinder growth and development. Assistant Manager Walker Showed pictures of the aftermath from the storm. \$36,277,559.00 in repair cost of which is still outstanding.

Assistant Manager Walker spoke about the distribution center after the Hurricane and then told the Board where the rest of the supplies went, once the distribution center was closed. Assistant Manager Walker spoke about how much Mayor Smathers does for the Town of Canton. Assistant Manager Walker stated that people do not understand the work that Mayor Smathers puts in.

Manager Stinnett reflects on what happened during 2024 and told the Board all the accomplishments from each department. Manager Stinnett presented to the Board the revenue in grants and tax. Manager Stinnett stated that Byron Hickox has done 167 zoning permits this year. Manager Stinnett stated that the street department did a lot of

training, and a lot of their work was flood recovery. Manager Stinnett stated that the Street Department accomplished the patching on Newfound, North Main, and other streets. Manager Stinnett stated that the Police Department accomplished a lot, national night out, replacing old firearms, and the Easter egg hunt. Manager Stinnett stated that the Fire Department did a lot of training, and the Filter plant staff maintained all their certifications for providing safe drinking water. Manager Stinnett stated that the Water Department did a lot of training and fixed a lot of leaks and repaired water lines.

Mayor Smathers thanked Mark Jones from the filter plant with his work during the flood. Mayor Smathers stated that giving people clean drinking water was super important for the residents after the Hurricane.

Manager Stinnett thanked the department heads attending the meeting and everyone in the board room gave them a round of applause. Mayor Smathers thanked the men and their families for their sacrifices.

Manager Stinnett told the Board that the Labor Day headliner is Craig Morgan, and she believes he will draw a good crowd.

Assistant Manager Walker told the Board about the estimated tax revenue from the North Carolina League of Municipalities. Assistant Manager Walker stated that the tax collection rate is 99.67%. Assistant Manager Walker stated this will be the first year without mill taxes.

Assistant Manager Walker showed the Board the completed and current recovery projects. Assistant Manager Walker stated that North Carolina Emergency Management Fund is at \$2.5 million and it is in this budget year.

Assistant Manager Walker stated that the North Carolina League of Municipalities will not offer health insurance for local governments, this means there will be a 17%-20% increase in insurance costs. Assistant Manager Walker talked about the cost for insurance and the different plans and the different companies. Alderwoman Proctor asked if they needed to decide tonight. Mayor Smathers asked if there was any help

from the state, Assistant Manager Walker said no, the league is not making enough money. Alderman Hamlett asked if Assistant Manager Walker stated that she could send the sheets out to the board so they can review before the next meeting.

Manager Stinnett stated that garbage pick-up will increase 5.2%, the Town of Canton has not been paying the disposal fees. Manager Stinnett stated that this is not because of our doings, but an oversight on Wastepro. Manager Stinnett stated that garbage pick-up will go from \$13.50 to \$18.60. Manager Stinnett stated that our choices are to break even or to meet somewhere in the middle with Wastepro. Mayor Smathers asked if Wastepro could let us phase in with the new rate? Manager Stinnett answered no, we are already getting billed.

Assistant Manager Walker stated that street paving funding by the Powell Bill is \$400,000 for Wesley Street and a portion of Poplar Street and Axley Street. Vehicle tax of \$100,000 will pave a portion of Thompson Street.

Assistant Manager Walker stated the Fire Department did not ask for anything else but a brush truck worth \$260,000, Chief Wheeler said it would have helped during the floods.

Assistant Manager Walker stated that the Police Department GCC repeater could be grant funded for \$18,000, however their budget stays the same.

Assistant Manager Walker stated that the Street Department and Water Department asked for a new truck, totaling \$70,000 each. Assistant Manager Walker stated that there are springs are coming out of the seat for both of their old trucks, and the Water Department is losing tools because the tool boxes are not staying latched.

Assistant Manager Walker stated that the filter plant asked for a ramp replacement valve which would cost \$33,000.

Mayor Smathers asked if our budget would be better if FEMA gave us the funds that we are owed. Assistant Manager Walker stated she put the FEMA reimbursement into this year's budget.

Assistant Manager Walker stated that there will be an increase in water and an increase in sewer rates for building the waste water infrastructure. Assistant Manager Walker and Manager Stinnett thought doing that increase would be hard and they took it down 20%. Alderwoman Proctor stated we need to keep a certain amount to make these improvements. Assistant Manager Walker stated our rates have been lower because we never had this issue in the past.

Mayor Smathers stated that this is a reality, it is a fall out from the mill, but we are here, there is no way to avoid this. If people come in, we do the best we can.

Alderman Hamlett asked Assistant Manager Walker to send him this information.

Assistant Manager Walker talked about what the Recreation Department has done during 2024. Assistant Manager Walker stated that summer camp went well, and the only thing the recreation department asked for was a new roof for the International Paper Complex, and that cost would be \$100,000

Assistant Manager Walker stated that the last normal budget was in 2019.

Assistant Manager Walker stated that the next steps are for COLA and a Christmas bonus. Assistant Manager Walker talked about a COLA, and the current budget does not include a COLA for employees. Assistant Manager Walker talked about a one-time raise in July instead of a COLA. Alderwoman Proctor stated this needs to be added to the list of decisions we need to make by the next meeting.

Assistant Manager Walker asked if it would be best to send the entire presentation to the board. The Board stated they wanted the presentation sent to them.

Chief Sluder stated that he appreciates Assistant Manager Walker and Manager Stinnett's hard work during this time, and then said we all know we need to tighten our belts.

Alderman Hamlett asked the department heads, worst case scenario without a cola, what would the climate be with workers. Josh Piurowski answered low; my guys would not take it great because they have always gotten a COLA. Assistant Manager Walker showed a graph of the cost of goods and current COLA data. Assistant Manager Walker stated that no matter what percentage of COLA we give, we will still be below the increase in living costs.

Mayor Smathers stated that everything is increasing, and that affordability in Western North Carolina is out of control. Assistant Manager Walker stated there was another option of merit raises. Alderwoman Proctor stated that merit raises are a challenge because who decides what the merit is. Assistant Manager Walker stated that the Board could mesh a one-time raise and COLA later.

Mayor Smathers believes that the board wants to offer town staff a COLA. Alderman Hamlett stated that even if it is small he wants something there. Mayor Smathers stated he wants to see options on the table. Manager Stinnett asked the Board if they want to look at a 1% COLA raise or higher. The board said they would like to look for a 1% COLA raise. Manager Stinnett stated she likes the mesh of the 1% cola and the one time raise. Alderman Hamlett stated we must worry about the mood and the climate for the workers. Alderman Hamlett stated I know it is small, but it sends a message that it is something.

Alderman Hamlett stated that we lose track of those who write grants, but those grants call for a lot of creativity. Manager Stinnett suggested a budget work session during the day. Alderman Shepard stated that he has games during the week and school during the day. Alderman Hamlett stated he wants a text thread with date for the budget workshop. Manager Stinnett stated that we will plan on a budget work session during the next board meeting.

Alderwoman Proctor stated she wants to review waste increase, sewer, and water rates before the next Board meeting

Mayor Smathers asked anything else economically that could help with the budget shortfall. Byron Hickox stated he had a meeting with a potential residential housing developer. Byron Hickox stated that he is answering a lot of question regarding development, and he is hopeful work will be begin within the next year.

Alderwoman Proctor thanked everyone for all their hard work.

Mayor Smathers asked the department heads if they are missing anything. The Department Heads all said no.

Manager Stinnett stated she met with Robby Kirkpatrick, for a new development in Beaverdam. Manager Stinnet stated that this would be 48 house sites. Byron Hickox stated that this development should at minimum meet our lot of sizes. Manager Stinnett stated that she will seek more information about this project.

K. Closed Session Pursuant to N.C.G.S. 143-318.11 (a)(4)(5)(6)

Alderwoman Mull made a motion to enter closed session pursuant to 143-318.11 (a)(4)(5)(6) at 7:18pm. Alderman Shepard seconded the motion. With all in favor the motion carried. After a brief discussion and no action taken. Alderwoman Proctor made a motion to enter open session at 8:49pm. Alderman Hamlett seconded the motion. All were in favor of the motion and the motion carried. Alderwoman Proctor made a motion to adjourn the meeting. Alderwoman mull seconded the motion. All voted in favor of the motion and the motion carried.

L. Adjournment

The next regular meeting will be on Thursday, April 24, 2025, at 6:00 p.m. at the Town Hall located at 85 Summer Street, Canton, NC 28716. There being no additional business, Mayor Smathers adjourned the meeting at 8:49 p.m.

Sam Dunbar, Town Clerk