

March 4, 2026

At the Special called meeting of the Mayor and Board of Aldermen/women of the Town of Canton held at the Board room in Town Hall, 85 Summer St. Canton, NC 28716, March 4, 2026, at 5:30p.m. with Mayor Pro Tem Mull, Aldermen/women, Proctor, Shepard, and Hamlett, were present. Mayor Smathers called in during the meeting

A. Call to Order

Mayor Pro Tem Mull called the meeting to order at 5:32 p.m.

B. Roll Call

Mayor Pro Tem Mull stated that Manager Stinnett, Assistant Manager Walker, Attorney Morgan, and Clerk Dunbar were present.

C. Pledge of Allegiance

Alderman Shepard led those in attendance reciting the Pledge of Allegiance

D. Public Comments

There were no Public Comments

E. Alderman/Aldерwoman Comments

Alderwoman Mull expressed her appreciation to all residents who participated in the recent local election, thanking them for exercising their civic duty.

Alderman Hamlett shared that his mother's home was demolished the previous day as part of the FEMA buyout program. He noted that several Board members reached out to offer their support during this difficult time, as the home was where he grew up and spent his childhood. Alderman Hamlett expressed his gratitude for the kindness, friendship, and thoughtful messages he received.

Alderman Shepard thanked Alderman Hamlett for his friendship and extended his appreciation to town staff for their continued efforts in maintaining the town and its streets.

H. Reports from the Manager

Manager Stinnett did not have any reports to give to the Board

F. Old Business

G. New Business

1. Purchase and Sale Agreement with Two Banks Development

Mr. Jeff Goss presented an agreement to the Board for the purchase of the west side of the mill property from Two Banks Development. He reminded the Board that the North Carolina General Assembly appropriated \$14 million to the Town of Canton for this acquisition.

Mr. Goss explained that the transaction will include two separate closing dates. The first closing, scheduled for March 24, 2026, will cover the acquisition of the warehouses and chip yard. The second closing will involve the existing wastewater treatment plant and will occur at a later, indefinite date. He noted that the Town's new wastewater treatment plant must be completed prior to the second closing, allowing time for the Town to adopt a new sewer use ordinance addressing waste and pretreatment requirements.

Mr. Goss also discussed the design-build process with Bolton & Menk and stated that he and Town Manager Stinnett are applying for an Economic Development Administration (EDA) grant to assist with cleanup of the chip yard in preparation for construction of the new wastewater treatment plant. He further confirmed that this is the final agreement with Two Banks Development and that both parties' attorneys have approved the document in its current form.

During Board discussion, Alderwoman Proctor asked whether all wastewater operations would need to be fully functional and receiving flows from Two Banks, with no flows going to the existing treatment plant. Mr. Goss responded that this would be the case but noted that pretreatment requirements for Two Banks are not yet fully defined. Alderman Hamlett asked if the agreement was final, and Mr. Goss confirmed that it is final unless Two Banks decides not to sell the existing wastewater treatment plant.

Alderman Shepard inquired whether any portion of the west side property extends beyond the railroad tracks, to which Mr. Goss responded that the railroad tracks serve as the boundary for the west side. Alderwoman Proctor asked about the Brownfields Program, and Mr. Goss explained that

Two Banks has completed the necessary work under the program, which will identify required remediation. Once inspections are complete, the results will be recorded with the Haywood County Register of Deeds, placing certain use restrictions on the property. He noted that this primarily applies to the east side of the site. Alderwoman Mull asked how much acreage is addressed under the Brownfields agreement. Mr. Goss stated that the entire property is covered under the brown field agreement.

Alderwoman Proctor asked whether a new sewer ordinance must be adopted before the new wastewater treatment plant begins receiving flow. Mr. Goss answered yes, noting that the current ordinance does not meet DEQ requirements, largely because the Town has not previously owned a wastewater treatment facility. Alderman Hamlett asked about the projected timeline for completion of the new wastewater treatment plant, and Mr. Goss stated that Bolton & Menk estimates a timeline of three to four years. Alderman Hamlett also asked about the likelihood of Two Banks increasing treatment costs and impacting resident water rates, and Mr. Goss stated that this issue is not addressed in this agreement and would require a future agreement for the Boards consideration.

Alderman Hamlett made a motion to approve the Purchase and Sale Agreement with Two Banks Development. The motion was seconded by Alderman Shepard. All voted in favor of the motion and the motion carried.

2. Budget amendment

Assistant Manager Walker presented the board with a budget amendment in the amount of \$12.5 million from Unearned revenue and adding it to the capital assets and the wastewater treatment plant. Mr. Goss stated that his firm will be in charge of handling the money and dispersing the checks.

Alderman Hamlett made a motion to approve the budget amendment in the amount of \$12.5 million Alderwoman Proctor seconded the motion. All voted in favor of the motion and the motion carried.

H. Closed Session: Pursuant to N.C.G.S. 143-318.11 (a) (3)(4)(5)

At 6:24 p.m. Alderman Shepard made a motion to enter closed session pursuant to N.C.G.S. 143-318.11 (a) (3)(4)(5). Alderwoman Proctor seconded the motion, and all were in favor and the motion carried. At 7:11p.m. Alderman Hamlett made a motion to enter open session and Alderwoman Proctor seconded the motion all were in favor and the motion passed. No action was taken. Alderwoman Proctor made a motion to adjourn the meeting. Aldermen Shepard seconded the motion. All voted in favor of the motion and the motion carried.

L. Adjournment

The next Regular called meeting will be held on Thursday, March 12, 2026, at 6:00p.m. at Town Hall located at 85 Summer Street, Canton, NC 28716. There being no additional business, Mayor Smathers adjourned the meeting at 7:20p.m.

Sam Dunbar, Town Clerk