



BOARD OF ALDERMEN BUDGET RETREAT

Wednesday, February 18, 2026 at 9:00 AM

Landis Board Room

MINUTES

PLEASE SILENCE ALL CELL PHONES

Present: Mayor Meredith B. Smith, Mayor Pro-Tem Ashley Stewart, Alderman Tony Corriher, Alderman Ryan Nelms, Alderman Darrell Overcash

Staff Present: Town Manager Michael Ambrose, HR Director/Town Clerk Madison Stegall, Finance Director Gitza Ocasio Perez, Town Attorney Rick Locklear, Police Chief Matthew Geelen, Fire Chief Jason Smith, Public Work Director Sean Taggart

1. INTRODUCTION:

1.1 Call Meeting to Order

Mayor Meredith Smith called the meeting to order at 9:00 AM.

1.2 Welcome

Mayor Smith welcomed those in attendance.

1.3 Adoption of Agenda

ACTION: A MOTION WAS MADE TO ADOPT THE AGENDA AS PRESENTED.

Moved By: Ashley Stewart, seconded by Ryan Nelms

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

2. CONSENT AGENDA:

All items below are considered to be routine by the Board of Aldermen and will be enacted by one motion. There will be no separate discussion on these items unless an Aldermen member so requests, in which event, the item will be removed from the Consent Agenda and placed in the appropriate corresponding Agenda Section to then be considered.

2.1 Consider Approval of Work Session Meeting Minutes from January 8, 2026, Regular Scheduled Meeting Minutes from January 12, 2026, Special Called Meeting Minutes from January 15, 2026, and Regular Scheduled Meeting Minutes from January 27, 2026

ACTION: A MOTION WAS MADE TO APPROVE THE CONSENT AGENDA AS PRESENTED.

Moved By: Ashley Stewart, seconded by Ryan Nelms

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3. CONSIDERATIONS:

3.1 Consider Approval of Amendment to the FY25 Audit Contract to Extend the Audit Completion Date to February 28, 2026

Finance Director Gitza Ocasio Perez explained that the fiscal year 2025 audit needed to be extended due to the government shutdown, which caused delays as auditors had to wait to determine what items to test for federal grant funding. She assured the board that this extension would not cost the town any additional auditing fees, and the auditors confirmed they could meet the February 28th deadline.

ACTION: A MOTION WAS MADE TO APPROVE THE AMENDMENT TO THE FY25 AUDIT CONTRACT TO EXTEND THE AUDIT COMPLETION DATE TO FEBRUARY 28, 2026.

Moved By: Ashley Stewart, seconded by Tony Corriher

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.2 Consider Approval of Awarding \$7,500.00 for the Settlement of Case # 24CVS000283 & 286-790

The board discussed a \$7,500 settlement for the referenced legal case. Mayor Smith noted this was something they had previously discussed with Mr. Locklear.

ACTION: A MOTION WAS MADE TO APPROVE AWARDING \$7,500.00 FOR THE SETTLEMENT OF CASE # 24CVS000283 & 286-790.

Moved By: Ashley Stewart, seconded by Tony Corriher

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.3 Consider Approval of Amending the Purchase of 100 Upgraded Water Meters from Ferguson Waterworks in the Amount of \$60,468.98

Town Manager Ambrose explained this was an amended motion correcting a previous error in the quoted amount. The original motion by Mr. Stewart in February had contained incorrect pricing information. The actual cost for 100 upgraded water meters was \$60,468.98, and these funds were already allocated in the budget. Interim Public Works Director Matthew Geelen explained these were advanced meters that could be turned off remotely from the computer, reducing the need for staff to physically visit meters after hours.

ACTION: A MOTION WAS MADE TO AMEND THE PREVIOUS MOTION MADE DURING THE FEBRUARY 9TH, 2026, MEETING FOR APPROVAL OF THE PURCHASE OF 100 UPGRADED WATER METERS TO THE NEW AMOUNT OF \$60,468.98 FROM FERGUSON WATERWORKS.

Moved By: Ashley Stewart, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.4 Consider Approval of Budget Amendment #18 to Allocate Funding from Sewer Equipment to Water Equipment

Town Manager Ambrose explained this budget amendment would move funding from the sewer equipment line to the water equipment line to purchase the water meters. He noted that water meters actually govern how much sewer service is charged, making this transfer logical.

ACTION: A MOTION WAS MADE TO APPROVE BUDGET AMENDMENT #18 TO ALLOCATE FUNDING FROM SEWER EQUIPMENT TO WATER EQUIPMENT.

Moved By: Ashley Stewart, seconded by Tony Corriher

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.5 Consider Approval of Replacing the Transmission on the Town's 2013 John Deere Backhoe in the Amount of \$29,436.51 by James River Equipment

Interim Public Works Director Geelen requested the approval of replacing the transmission on the town's 2013 John Deere Backhoe in the amount of \$29,436.51. Mayor Smith questioned why the town would spend \$29,000 on a transmission replacement rather than purchasing a new backhoe. Interim Public Works Director Geelen explained that a new backhoe would cost well over \$100,000 and would require computer programming and diagnostics for maintenance, whereas the current backhoe could be maintained by their in-house mechanic for routine items.

ACTION: A MOTION WAS MADE TO APPROVE THE REPLACEMENT OF THE TRANSMISSION ON THE TOWN'S 2013 JOHN DEERE BACKHOE IN THE AMOUNT OF \$29,436.51 BY JAMES RIVER EQUIPMENT.

Moved By: Ashley Stewart, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.6 Consider Approval of Adding a Human Resources Generalist Position Classified at Pay Grade 20

HR Director Madison Stegall explained that as the Town continues to grow in personnel, compliance requirements, benefits administration, recruitment efforts, employee relations matters, and training initiatives, the current staffing structure no longer adequately supports the operational and regulatory demands placed on the organization. The addition of a Human Resources Generalist will provide daily operational HR support to all departments, ensure compliance with federal and state employment laws, assist with recruitment, onboarding, and retention efforts, support benefits administration and payroll coordination, assist with policy development and employee training initiatives, reduce risk exposure related to employment practices, and assist with risk management throughout all town departments. The HR Generalist position will be classified at Pay Grade 20 (\$56,406.48 - \$84,611.28) in accordance with the Town's adopted pay plan. This position will report to the HR Director and serve as a key support role in maintaining efficient and compliant personnel operations and strengthen succession planning. Mayor Smith asked about office space, and Director Stegall confirmed the person would work in her office area, potentially with a partition, and could use conference rooms for interviews as needed.

ACTION: A MOTION WAS MADE TO APPROVE ADDING A HUMAN RESOURCES GENERALIST POSITION CLASSIFIED AT PAY GRADE 20.

Moved By: Ashley Stewart, seconded by Tony Corriher

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.7 Consider Approval of Budget Amendment #17 for the Addition of a Human Resources Generalist Position

This corresponding budget amendment was needed to fund the newly approved HR generalist position.

ACTION: A MOTION WAS MADE TO APPROVE BUDGET AMENDMENT #17 FOR THE ADDITION OF A HUMAN RESOURCES GENERALIST POSITION.

Moved By: Ashley Stewart, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

3.8 Consider Approval of Reclassifying One (1) of the Current Staff Accountant Positions to Deputy Finance Officer

Finance Director Ocasio Perez explained that as the town grows and financial operations increase in complexity, additional leadership capacity within the finance department is necessary. The position would be filled by a current employee, who presently performs these duties with additional responsibilities. Mayor Smith asked about succession planning, and Manager Ambrose confirmed that by general statute, having a deputy finance officer provides backup to the finance director and maintains proper separation of duties in-house. The deputy would be sworn in and covered under general bonding, though not the \$1 million bonding required for the finance director.

ACTION: A MOTION WAS MADE TO APPROVE RECLASSIFYING ONE (1) OF THE CURRENT STAFF ACCOUNTANT POSITIONS TO DEPUTY FINANCE OFFICER.

Moved By: Ashley Stewart, seconded by Ryan Nelms

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

4. OLD BUSINESS:

4.1 Consider Approval to Adopt a Code of Ethics for the Board of Aldermen and Corresponding Ordinance #2026-02-09-01

This item generated significant discussion and some controversy. Town Clerk Madison Stegall first confirmed that most board members had completed their required ethics training, with one member still needing to complete it. She asked that the Board submit their certificates to her once completed.

The discussion revealed sharp disagreement about adopting the code of ethics. Alderman Corriher expressed strong opposition, stating he had contacted two people in the legislature who told him the ethics code was only a recommendation, not a state law requirement. He declared he would not sign the ethics document, arguing that he represents the citizen taxpayers and his integrity should not be questioned.

Town Clerk Stegall maintained that General Statute 160A-86 requires the board to be compliant, and it was her duty to ensure compliance with state requirements. Mayor Smith supported the ethics code, explaining that the two-hour training video from the League of Municipalities detailed important guidelines about recusal from votes involving conflicts of interest, receiving gifts, and other ethical considerations. She emphasized how the training clarified when board members should recuse themselves and when to contact the town attorney.

Mayor Pro-Tem Stewart agreed with the ethics code, stating it protects individual board rights and shows proper behavior in both open and closed meetings. He noted it is a general statute, which is law

for North Carolina. Alderman Nelms supported the code as setting expectations and protecting board members individually.

Town Manager Ambrose recommended that all five board members adopt and sign the ethics code. When asked about enforcement, he confirmed the policy could be modified if there were specific concerns about language, particularly regarding censorship provisions that would require a majority vote of the board.

Mayor Smith explained the practical importance of having an ethics policy, noting that citizens already scrutinize the board's actions and question their ethics. She mentioned that a citizen had already asked twice for a copy of their ethics policy. She argued that having a formal ethics code would demonstrate to citizens that the board wants to be ethical and follow proper procedures.

After extensive discussion, Alderman Corriher indicated he would vote to adopt the policy but would not sign it personally. Other board members confirmed they would both adopt and sign the policy. Town Manager Ambrose clarified that the policy would be effective once adopted by board vote, regardless of individual signatures.

ACTION: A MOTION WAS MADE TO ADOPT A CODE OF ETHICS FOR THE BOARD OF ALDERMEN AND CORRESPONDING ORDINANCE #2026-02-09-01.

Moved By: Ashley Stewart, seconded by Tony Corriher

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

4.2 Consider Approval of the 125 Mural Shirt Design

The board reviewed a new shirt design for the town's 125th anniversary celebration. The design featured a gray shirt with the town mural and included a tribute to Billy Ray Barnes, an All-American professional who had recently passed away. The shirts would be purchased for approximately \$12-13 each and could be sold for \$25. The board decided to order 50 shirts initially, and Director Stegall confirmed they could be ready within a few days.

ACTION: A MOTION WAS MADE TO APPROVE THE 125 MURAL SHIRT DESIGN IN GREY AND SELL IT FOR \$25.00.

Moved By: Ryan Nelms, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

ACTION: A MOTION WAS MADE TO RECESS THE MEETING FOR 10 MINUTES AT 9:50 AM.

Moved By: Ashley Stewart, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Ryan Nelms, Darrell Overcash, Tony Corriher

ACTION: A MOTION WAS MADE TO RECONVENE THE MEETING AT 10:00 AM.

Moved By: Ryan Nelms, seconded by Ashley Stewart

Motion Passed: (4-0)

Voting For: Ashley Stewart, Ryan Nelms, Darrell Overcash, Tony Corriher

5. PRESENTATIONS:

5.1 Consider Discussion of the Public Works Department Annual Budget Retreat

Interim Public Works Director Matthew Geelen, accompanied by new Public Works Director Sean Taggart, presented the department's five-year capital improvement plan and accomplishments for the current year.

Current Year Accomplishments: The department had made significant improvements to the public works facility, including remodeling to create a training classroom with new flooring, TVs, and boardroom-style chairs. This allowed them to host training sessions for the first time, including sessions with Kannapolis and rural water organizations at no cost to the town.

Other accomplishments included landscape improvements, new signage throughout facilities and lift stations, implementation of weekly safety meetings for all staff, development of Standard Operating Procedures (SOPs) for each department, complete inventory of materials, and upgrades to the mechanic shop for OSHA compliance.

The electric department completed service for Landis Ridge Building 2, performed substantial system enhancements with pole and line replacements, converted all Main Street and Ryder Street lights to LEDs, completed a 12kV conversion project, and built a new pole storage facility. A planned power outage that was originally scheduled to take 12 hours was completed in just 4 hours without contractor assistance, saving the town approximately \$80,000.

The water resources department completed a survey study, made progress on the 100,000-gallon water tower (though this project faced delays due to paint application in cold weather), continued the Mt. Moriah drinking water project, and completed the South Upright sewer rehab project.

The street department began street sign replacement throughout the town, with new signs including proper stop signs and backing plates. They also upgraded public works landscaping, purchased new equipment, and improved material storage organization.

Future Year Needs: For FY27, the department requested a 12-foot shoring box (\$10,000), Everhart dump site redesign (\$10,000), bumpers with winches for electric vehicles (\$10,000), a bobcat skid steer with forestry head mulcher (rental rather than purchase), a three-quarter-ton service truck, and an F-550 dump truck for the street department.

The board questioned whether they had equipment capable of using a 12-foot shoring box, with Director Taggart indicating they were close but probably limited to 8-foot safe operations currently.

For FY28, needs included Fifth Street lift station upgrades, an F-250 for water resources, AMI meters, a deck-over trailer for the excavator, and continuation of 12kV conversion work. Town Manager Ambrose noted that the electric fund balance was healthy at approximately \$3.99 million, but would be impacted by the new substation construction.

FY29 needs included reconnecting work to the wastewater treatment facility (\$500,000), a chipper for the tree crew (\$60,000), and various equipment replacements.

The presentation outlined needs through FY31, including a new small bucket truck, and AMI meter replacements.

5.2 Consider Discussion of the Fire Departments Annual Budget Retreat

Fire Chief Jason Smith presented the fire department's five-year capital improvement plan.

FY27 Needs: The department requested continuation of Class A uniform purchases (2 sets), four sets of turnout gear averaging \$3,000-4,000 per set, a fire station remodel (\$150,000), new ballistic gear to replace equipment received from the police department (\$8,000), and the annual payment on Fire Truck 441.

The proposed station remodel would create an open-concept living area by removing walls from the current bedroom space and converting unused hallway space into new bedroom areas. This would accommodate a potential fourth crew member while maintaining space for two engines and the squad vehicle. The Chief explained this would make the station more family-friendly and functional.

FY28-29 Needs: Similar uniform and turnout gear requests, Hurst hydraulic rescue tools (\$30,000), battery-powered fans to replace gas-powered units, and a new American-made drone to replace the current Chinese-made DJI drone, which was being phased out by federal mandate.

FY30-31 Expansion Plans: The Chief presented plans for potential expansion, including either remodeling Station 58 or building a new station to serve the growing Landis Ridge area. Town Manager Ambrose noted they owned property on US 29 that could house a fire station closer to industrial developments that require fire service within specific distances.

The department would need thermal imaging cameras (\$15,000 for three units), SCBA replacements, gas monitors, and potentially a new ladder truck by FY31. The current ladder truck is a 2007 model that would be 25 years old by then, well beyond the recommended 15-year lifespan.

Discussion of Equipment Phasing: The board discussed phasing equipment purchases rather than buying everything at once to ease the tax burden. For turnout gear, the plan was to purchase four sets annually for several years until each firefighter had two complete sets, one for use and one backup for when gear becomes contaminated.

Mayor Smith noted the importance of maintaining a ladder truck given the town's three-story buildings, including churches, apartments, and school buildings. Chief Smith confirmed the current ladder truck passes annual inspections, but parts are becoming increasingly difficult to find.

Chief Smith emphasized his goal of adding a fourth person to each fire crew and establishing a second active station to better serve the growing community, particularly the Landis Ridge development area.

6. CLOSING:

6.1 Motion to Adjourn

The budget retreat concluded with plans for the next budget meeting scheduled for March 18th, 2026, which would include presentations from the police department, Electricities, Auditors, and Centralina Regional Council. The regular board meeting is scheduled for March 16th, 2026.

ACTION: A MOTION WAS MADE TO ADJOURN THE MEETING AT 11:22 AM.

Moved By: Ashley Stewart, seconded by Darrell Overcash

Motion Passed: (4-0)

Voting For: Ashley Stewart, Darrell Overcash, Tony Corriher, Ryan Nelms

Respectfully Submitted,

Madison T. Stegall, Town Clerk