

CITY OF MOUNT HOLLY
CITY COUNCIL MEETING MINUTES
MONDAY, JUNE 9, 2025
COUNCIL CHAMBERS
7:00 PM

CALL TO ORDER

Mayor Moore called the meeting to order at 7:00 pm. The following were present:

Mayor David Moore	Jonathan Blanton, City Manager
Mayor Pro Tem Lauren Shoemaker	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Alexis Hines, Human Resources Director
Councilman Jeff Meadows	Brian Reagan, Police Chief
Councilman Bryan Hough	Greg Beal, Planning Director
Councilwoman Phyllis Harris	Ryan Baker, Fire Chief - Absent
Councilman Kenneth Reeves	Robert Stewart, Deputy Utilities Director
Marie M. Anders, City Attorney	Eric Smallwood, Parks and Recreation Director
Tara Douglas, City Clerk	Michelle Wood, Finance Director
	Matt Black, Economic Development Director
	Jason Green, Public Works Director

INVOCATION

Fire Chief Baker led the Council, Staff, and attendees in prayer.

PLEDGE OF ALLEGIANCE

Boy Scout Troop 59 led the Council, Staff, and attendees in the Pledge of Allegiance.

SET THE AGENDA

Mayor Moore entertained a motion to approve the agenda as presented

Motion: Mayor Pro Tem Shoemaker made a motion to approve the agenda as presented.
Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

CONSENT AGENDA

1. Request to Apply for a Land and Water Conservation Fund (LWCF) Grant
2. Approval of Employee Leave Practices and Policies
3. Award Bid for removal of solids and liquids from the Wastewater Treatment Plant

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4. Approval of Minutes – City Council Work Session May 19, 2025

Mayor Moore entertained a motion to approve the Consent Agenda as presented.

Motion: Councilman Craig made a motion to approve the Consent Agenda as presented. Councilman Hough seconded the motion.

All Council members present and voting, voted in favor 6 -0. (Motion Carried)

Mayor Moore recognized Bonnie Beatty, a resident of Mount Holly, who turned 105 years old today.

PRESENTATIONS

1. Presentation and Introduction from Miss Mount Holly 2025 ***Mary Jae Felizarta***

Miss Mount Holly Mary Jae Felizarta introduced herself and her upcoming competition in the Miss North Carolina competition. Ms. Felizarta stated that she has had the privilege of volunteering at the Holy Angels Home and serving at the Taste of Mount Holly event. Ms. Felizarta stated that she is a medical student at UNC Chapel Hill. Ms. Felizarta spoke of her initiative to advocate for equitable, accessible care for all communities.

2. Presentation of a Proclamation for the Mountain Island Charter School Soccer Team

Mayor Moore and City Council

Mayor Moore and City Council presented a proclamation to the Mountain Island Charter School Soccer Team, Coach Darren Johnson, and Coach Jeff Painter for their successful season and state championship.

3. Presentation of a Proclamation for the 150th Anniversary of the Mount Holly Cotton Mill Building, currently Muddy River. ***Mayor Moore and City Council***

Mayor Moore and City Council presented a proclamation in celebration of the 150th anniversary of the Mount Holly Cotton Mill Building, currently known as Muddy River to owners Robbie and Caroline Delaney who purchased the former Mount Holly Cotton Mill in 2022.

4. Swearing in of Firefighter Michael Kallem ***Fire Chief Ryan Baker***

Fire Chief Ryan Baker introduced Firefighter Michael Kallem. Mayor Moore administered the Firefighter oath of office to Michael Kallem. Firefighter Michael Kallem had his badge pinned by his wife.

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5. Review and Approval of the Update to the Arts on the Greenway Crosswalk Mural

Paul Lowe

Mr. Lowe presented an update on the Arts on the Greenway Crosswalk Mural. Mr. Lowe stated that the current mural is beginning to fade. Mr. Lowe stated that PAAC reviewed the proposed design at their May 21, 2025 meeting and recommended approval of this updated design. Mr. Lowe stated that if approved by the Council, this updated design would be completed by June 30, 2025.

Motion: Councilman Craig made a motion to approve the updated design to the Arts on the Greenway Crosswalk Mural. Councilman Meadows seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

6. Approve Replacement location and Art Associated with the Bee Art Mosaic to be installed at River Street Park.

Paul Lowe

Mr. Lowe stated that one of the mosaics at River Street Park is damaged and that staff is recommending a new location for the replacement. Mr. Lowe stated that the new location that is planned for the fishing pier would replace that work. Mr. Lowe confirmed that Parks and Recreation support this new location along with PAAC who voted to recommend approval of the new location and artwork at their May 21, 2025 meeting.

Motion: Councilman Hough made a motion to approve the replacement location and art associated with the Bee Art Mosaic to be installed at River Street Park. Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

PUBLIC HEARINGS

1. Budget Highlights and Public Hearing on the proposed Fiscal Year 2025-2026 Budget and Fee Schedule

Jonathan Blanton

Mr. Blanton reviewed the budget highlights for the proposed Fiscal Year 2025-2026 and Fee Schedule. Mr. Blanton stated that he is proud of this budget and the work that his staff has done. Mr. Blanton stated that his staff has done a tremendous job at cutting costs and compiling one of the most conservative budgets that the City of Mount Holly has had in several years. Mr. Blanton

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reviewed what the budget presentation award that the Finance Department received is. Mr. Blanton explained that this award recognizes budgets that are of the highest quality and excels as a policy document, financial plan, operations guide and a communication tool. Mr. Blanton stated that this recognition paired with our consistent financial audits over the last several years is a true testament to the commitment of our staff and our elected officials to the highest level of transparency and fiscal responsibility. Mr. Blanton shared that the City proudly carries a credit rating of AAAM by SNM and AAAMF by Moody's Investor Services, both of which indicate an incredibly strong financial position.

Mr. Blanton reviewed the budget preparation timeline. Mr. Blanton stated that the recommended budget is balanced at \$42,369,691.00, which is a 6.7% decrease from the prior fiscal year. Mr. Blanton stated that the budget is comprised of several different funds. Mr. Blanton stated that the General Fund Budget is balanced at \$25,216,517.00, the Water and Sewer Fund Budget is balanced at \$15,903,301.00, the 911-Wireless and Wireline Fund is balanced at \$110,673.00, the Tourism Development Authority Fund is balanced at \$339,200.00, and the Powell Bill Fund is balanced at \$800,000.00. Mr. Blanton stated that the City has ongoing Capital Construction Projects totaling \$31,279,928.00.

Mr. Blanton stated that he is going to give an overview of each fund and some of the major projects that the City is working on. Mr. Blanton reviewed the General Fund stating that the City is projecting \$25,216,517.00 in General Fund revenue for fiscal year 2026. Mr. Blanton stated that these funds are derived from property taxes, sales and use taxes, investment earnings, and utility franchise taxes. Mr. Blanton stated that the proposed property tax for fiscal year 2026 remains the same at \$0.405.

Mr. Blanton reviewed the General Fund Expenditures stating that the General Fund allocates funding to the City Council, Administration, Police, Fire, Garage, Streets and Solid Waste, Planning, and Parks and Recreation. Mr. Blanton announced that this year the expenditures for the General Fund decreased by 6.8% from the prior fiscal year and that we are allocating \$776,745.00 from the Fund Balance to balance the General Fund which is an 80.8% decrease from the prior fiscal year. Mr. Blanton stated that these funds from the Fund Balance will go to fund the following capital projects: \$3,000,000.00 towards Phase I of Kemp A. Michael Way, \$3,196,531.17 for Dutchman's Creek Bridge, and \$673,500.00 for the Museum construction. Mr. Blanton stated that Fiscal Year 2025 totaled \$4,425,450.00 in Capital Projects. Mr. Blanton stated that construction is continuing on the Ransom Hunter Park.

Mr. Blanton reviewed the Water and Sewer Fund Revenue stating that the City is projecting \$15,903,301.00 in Water and Sewer Fund revenue for fiscal year 2025. Mr. Blanton explained that these funds are from water and sewer sales, stormwater revenue, and utility fees. Mr. Blanton stated that there is a 12% increase in water rates and a 6% increase in sewer rates that

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were based on the recently adopted study by Raftelis. Mr. Blanton stated that those two increases will total an additional revenue of \$624,000 in water revenue and \$368,000 in sewer revenue. Mr. Blanton stated that in the previous fiscal year, the Water and Sewer Fund provided for over \$6,000,000.00 in large-scale projects and we are going to continue to make a lot of headway on those projects in the upcoming fiscal year. Mr. Blanton stated that the City is projecting that expenditures for the Water and Sewer Fund to decrease by 10.2% in the upcoming fiscal year. Mr. Blanton stated that in regard to the Fund Balance, the City will be allocating \$727,297.00 to the Water and Sewer Fund and this represents an 86.6% decrease from the prior fiscal year. Mr. Blanton stated that this will go towards some of the large-scale projects that the City is working on, including \$1,500,000.00 in aerial and lift station upgrades to the Riverfront Community, approximately \$2,000,000.00 will go towards Phase 2 of the lower Dutchman's Creek Sewer Project, approximately \$15,000,000.00 towards the decommissioning of the Wastewater Treatment Plant, approximately \$500,000 towards designs for upgrades to the Dutchman's Creek lift station and force main, over \$400,000.00 for infiltration and inflow testing aerial structures and sewer lining, \$1,000,000.00 in upgrades to the City's north water tank, \$93,000 in pump renovations and necessary upgrades to the water plant, and an additional \$287,263 for upgrades to the water plant infrastructure. Mr. Blanton highlighted that the Water Treatment Plant was awarded the North Carolina Area Wide Optimization Program (AWOP) Award.

Mr. Blanton reviewed the 911-Wireless and Wireline Fund stating that the 911-Wireless and Wireline Fund consists of funding from revenues derived from surcharges on wireless and wireline telephones in the 911 service area. Mr. Blanton explained that these funds are collected by the State of North Carolina and distributed to the City. Mr. Blanton stated that the City is projected to spend approximately \$110,673.00 in that fund in the upcoming fiscal year.

Mr. Blanton reviewed the Tourism and Development Authority Fund stating that this fund consists of funding from occupancy taxes paid by travelers who stay overnight. Mr. Blanton stated that these funds are overseen and expended by the Tourism Development Board. Mr. Blanton stated that the City is projecting approximately \$339,200.00 in the Tourism Development Fund for the upcoming fiscal year. Mr. Blanton noted that this is a slight increase since the City is allocating money from the Fund Balance so that the City can continue to work with the Tourism Development Authority on some of the great projects that have been underway. Mr. Blanton noted that the alleyway behind the Awaken Gallery was possible thanks to the partnership with the Tourism Development Authority. Mr. Blanton also noted that the new electronic sign was another partnership with the Tourism Development Authority.

Mr. Blanton reviewed the Powell Bill Fund stating that the Powell Bill Fund consists of funds for the maintenance of public streets. Mr. Blanton stated that these funds are collected by the State of North Carolina and distributed to the City. Mr. Blanton noted that the City is projecting approximately \$800,000.00 in revenues and expenditures for the upcoming fiscal year.

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Mr. Blanton stated that as he mentioned in the budget message that the City focused on three goals in this budget: the first being to finalize the large-scale capital projects that were just spoken of, and the second goal was working towards improving employee retention and recalibrating benefits through several measures that are proposed in this budget. Mr. Blanton explained that the City is going to bring all of the current positions to a level that is at or above the neighboring market, revising the City's general pay plan in order to more closely align with market midpoints, implementing a starting minimum wage that is proposed at \$18.33 per hour, transitioning the City's retirees to a cost-saving health reimbursement arrangement, and addressing the issues of compression within various ranks of employees via paygrade revisions. Mr. Blanton explained that the City worked closely with a consultant, Baker Tilly, who looked into these matters that were presented to our City Council earlier this year. Mr. Blanton stated that the recommended budget provides for those changes to be made. Mr. Blanton stated that the last goal that the City focused the funding of new improvements in order to continue to sustain a high quality of life that our residents are accustomed to. Mr. Blanton stated that one of these improvements is \$85,630.00 in camera upgrades to promote safety throughout the City. Mr. Blanton stated that the City will be investing \$178,000.00 in communication and technology upgrades to our Police Officers and Fire Fighters. Mr. Blanton stated that the City will be putting \$366,634.00 towards sanitation equipment in our Streets and Solid Waste Department and \$100,000.00 towards the Recreation Department to upgrade our trail system as well as some improvements at Woodlawn Park. Mr. Blanton stated that the City will invest \$110,000.00 towards new art projects and the continuation of our outdoor gallery.

Mr. Blanton stated that the recommended budget is balanced in accordance with North Carolina General Statue 159-11. Mr. Blanton thanked the Mayor and Council for their direction and thanked the Finance Department for their hard work.

Councilman Meadows asked Mr. Blanton to speak to the City's policy and practice regarding transferring money from the Unassigned Fund Balance to the budget itself as far as operating expenses go. Mr. Blanton stated that the proposed budget does not allocate any Fund Balance for operational cost, and it only goes toward subsidize the capital projects that were referenced. Mr. Blanton stated that the City's Fund Balance is roughly around 30% of Unassigned Fund Balance, but our total Fund Balance is much higher than that. Mr. Blanton stated that the State of North Carolina recommends at least 8% and the City is well above that threshold.

Councilman Meadows asked Mr. Blanton to explain the difference between ongoing operational costs and one-time capital costs. Mr. Blanton explained that over the years, the City has expended large amounts in one-time capital costs such as the water tower that is going up and the Gateway Connector road. Mr. Blanton explained that these are large-scale one-time capital project costs that will not be ongoing, whereas operational costs would be recurring each year

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with those one-time projects being capital projects typically over \$5000.00. Mr. Blanton stated that over the last fiscal year, some of these one-time capital projects were up to \$6,000,000.00 in costs that were supported from the Unassigned Fund Balance.

Councilman Meadows asked Mr. Blanton if there had been a comparison done over the last couple of years of operating costs. Mr. Blanton stated that operational costs had gone up a bit over the last couple of years, but that there was a 6.8% decrease in the General Fund and a 10.2% decrease in the Water and Sewer Fund from the prior fiscal year. Councilman Meadows confirmed that in previous fiscal years there were increases in the operational costs, but that staff did work to actually decrease the amount of operating expenses that we have in this budget. Mr. Blanton confirmed Councilman Meadows statement.

Councilman Craig congratulated the staff on this budget.

Mayor Moore entertained a motion to come out of the regular meeting and go into the public hearing.

Motion: Councilwoman Harris made a motion to come out of the regular meeting and go into the public hearing. Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Speakers at the Public Hearing:

1. Bob Hendricks spoke and gave high compliments to our City Manager Jonathan Blanton. Mr. Hendricks spoke about the increase in the water rate. Mr. Hendricks stated that there will be another rate increase the following year as it stands for \$1.1 million. Mr. Hendricks stated that the 12% and 6% is not a one off and the people deserve to know that. Mr. Hendricks suggested that the Council should manage and vote accordingly, especially if you are running for re-election, not to put this increase for our utilities through. Mr. Hendricks stated that the Council should pull back tonight, reevaluate it and make sure that this is something that the community wants. Mr. Hendricks stated that the City should pull the money from other capital sources.

Mayor Moore entertained a motion to come out of the public hearing and go back into the regular meeting.

Motion: Mayor Pro Tem Shoemaker made a motion to come out of the public hearing and go back into the regular meeting. Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

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Motion: Councilman Hough made a motion to approve the proposed Fiscal Year 2025-2026 Budget and Fee Schedule. Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

PUBLIC COMMENT

1. Clyde Davis- 308 Piedmont Avenue: Mr. Davis shared some observations in Mecklenburg County regarding actions taken with vague notifications and lack of transparency. Mr. Davis remarked on actions taken during Closed Session in the Mecklenburg County Board.
2. Stephanie McLaughlin -308 Piedmont Avenue: Ms. McLaughlin gave an update on the most recent Mount Holly Community Development Foundation event. Ms. McLaughlin thanked Mr. Blanton, the community leaders, and the Tourism Development Authority.
3. Ned Brantley discussed variance concerns regarding Imagery and their Homeowners Agency. Mr. Brantley stated that the number of trees that are being cut down is disturbing. Mr. Brantley stated that approximately 500 or more trees have been cut down illegally. Mr. Brantley stated that he would like to know if the City has given variances to the board of Imagery. Mr. Brantley stated that Mr. Beal told him that he does not know these people and that he has never given a variance. Mr. Brantley would like the Council to investigate to find out if there has been a variance issued and to find out what is going on.

NEW BUSINESS

1. City Manager Report

Jonathan Blanton

Mr. Blanton mentioned the Land and Water Conservation Fund (LWCF) Grant that was on the Consent Agenda tonight which is being pursued by our new Parks and Recreation Director Eric Smallwood. Mr. Blanton stated that the City ordered a contract for the basin cleaning as part of the Wastewater Treatment Plant decommissioning. Mr. Blanton stated that this cleaning will be happening within the next 60 days as the City undertakes decommissioning some of the inactive parts of the plant. Mr. Blanton stated that the City will go online with the City of Charlotte later this fall. Mr. Blanton thanked the Wastewater Treatment Plant team as they have kept the plant running as the City has made provisions to go online with the City of Charlotte. Mr. Blanton thanked Stephanie McLaughlin, Arts Mount Holly, and the Mount Holly Community Development Foundation for the great work on the events. Mr. Blanton reminded everyone that the fireworks celebration will be on Thursday, June 26, 2025 downtown. Mr. Blanton stated that the US Army Corp of Engineers finished their project here last week. Mr. Blanton stated that 32 points in our waterways were cleared and over 45,000 cubic yards of debris was removed. Mr. Blanton stated that this was at no cost to the City and was a project that came through FEMA. Mr. Blanton thanked the Public Works department for overseeing this project. Mr. Blanton stated

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that the paving downtown was completed last week so many thanks to our business owners downtown on South Main Street for their patience. Mr. Blanton encouraged everyone to stop and check out the Holland Restaurant while enjoying downtown.

Councilman Meadows suggested having the Community Development Foundation on the agenda so that they can update the Council without the 3-minute time limit constraint. Mayor Moore mentioned that their representative would need to request being put on the agenda.

CLOSED SESSION

1. Closed Session Pursuant to N.C.G.S 143-318.11(a) (3 and 5)

Mayor Moore entertained a motion to go out of the regular meeting and into Closed Session.

Motion: Councilman Hough made a motion to go out of the regular meeting and into the Closed Session at 7:57 PM. Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Motion: Councilman Hough made a motion to come out of Closed Session and back into the regular meeting at 9:08 PM Councilwoman Harris seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Motion: Councilman Hough made a motion to end negotiations with North State for the downtown redevelopment project. Mayor Pro Tem Shoemaker seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

Motion: Councilman Hough made a motion to adjourn the June 9, 2025 City Council Meeting at 9:09 PM. Councilman Reeves seconded the motion.

All Council members present and voting, voted in favor 6-0. (Motion Carried)

The meeting adjourned at 9:09 PM