

AGENDA
STONEVILLE TOWN COUNCIL
Regular Meeting
May 5, 2026 – 6:00 PM
Council Chambers at 101 Smith St.

CALL TO ORDER – MAYOR GALVAN

PLEDGE OF ALLEGIANCE & INVOCATION

APPROVAL OF MAY 5, 2026 AGENDA

APPROVAL OF MINUTES

1. Regular Meeting – April 7, 2026
2. Special Meeting (Budget Work Session) – April 14, 2026

PUBLIC HEARINGS

1. **Public Hearing and Consideration of Contiguous Annexation Ordinance O-2026-07**
Consideration of a request for contiguous annexation submitted by Nexagen, Inc. for property located on East Main Street (Parcel 185849 / Tax PIN 793919603137), consisting of approximately 15.4 ± acres.
2. **Public Hearing and Consideration of Demolition Ordinance O-2026-05**
Consideration of adopting a demolition ordinance for the non-residential structure located at 117 N. Henry Street (Parcel No. 126821) pursuant to Unsafe Building provisions.
3. **Public Hearing and Consideration of Demolition Ordinance O-2026-04**
Consideration of adopting a demolition ordinance for the non-residential structure located at 105 N. Henry Street (Parcel No. 126226) pursuant to Unsafe Building provisions.
4. **Public Hearing and Consideration of Demolition Ordinance O-2026-06**
Consideration of adopting a demolition ordinance for the residential structure located at 300 S. Glenn Street (Parcel No. 170275) pursuant to Minimum Housing standards.
5. **Public Hearing and Demolition Ordinance Ratification (104 W. Matthews Street)**
Consideration of ratifying the adoption of Demolition Ordinance O-2026-01 for the property located at 104 W. Matthews Street (Parcel No. 126707), and adoption of Resolution R-2026-05 confirming demolition charges and declaring a lien.

PROCLAMATIONS

1. National Public Works Week
2. National Police Week

OLD BUSINESS: NONE

PUBLIC COMMENTS

NEW BUSINESS

1. Consideration of Ordinance O-2026-08 – Amendment to Chapter 91 (Fire Prevention and Protection), Section 91.04 (Fire Prevention Code) of the Town of Stoneville Code of Ordinances to Incorporate Fire Alarm System Regulations.
2. Approval of audit engagement letter and audit contract with Tony Brewer, CPA, PC for the year ended June 30, 2026. Total amount not to exceed \$24,000.
3. Ratification of emergency fire engine repair invoice in the amount of \$9,602.07.
4. Consideration of quotes for Town Hall renovations – OSBM Grant
5. Consideration of quotes for drainage issue at 106 Glendale Street
6. Consideration of Colonial Life voluntary employee benefits
7. Consideration of quotes to upgrade security cameras at Stoneville Memorial Park and Downtown Pocket Park

TOWN ADMINISTRATOR REPORT

ANNOUNCEMENTS

- Budget Work Session – Tuesday, May 12th at 9:30 a.m.
- Special Meeting/Budget Presentation – Thursday, May 14th at 6:00 p.m.
- Senior Bingo – May 14th from 10:00 a.m. – 12:00 p.m.
- Cruise In – May 15th from 5:00 p.m. - 8:00 p.m.
- May Day Festival – May 16th from 10:00 a.m. – 4:00 p.m., Veterans Ceremony 10:00 a.m.
- Memorial Day Holiday (office closed) – Monday, May 25th
- Council Meeting and Budget Public Hearing – Tuesday, June 2nd at 6:00 p.m.

CLOSING REMARKS BY MAYOR GALVAN

ADJOURNMENT

**Stoneville Town Council
Regular Meeting Minutes
April 7, 2026
6:00 PM – Council Chambers**

Regular Meeting

Members Present: Mayor Kathy Stanley-Galvan and Council members Jessica Smith, Curt Bennett, Henry Thornton, Daisy Smith, and Lee Shelton. Staff Present: Town Administrator Michael Sands, Town Clerk Deleia Hutcherson, Public Works Director Byron Curry, Police Chief Rebecca Dixon, Fire Chief Joel Freeman, and Town Attorney Eugene Russell.

Call to Order, Pledge of Allegiance, and Invocation: Mayor Galvan welcomed the assembly and called the meeting to order after the Pledge of Allegiance and Invocation at 6:00 p.m. She announced the Council met at 5:00 p.m. for Closed Session pursuant to N.C.G.S. 143-318.11(a) (3) to Consult with the Town Attorney.

Agenda: Councilman Thornton made a motion to approve the April 7, 2026 agenda. Seconded by Councilwoman Daisy Smith. Motion carried unanimously.

Minutes: Councilman Bennett made a motion to approve the March 5, 2026 regular meeting minutes and the March 14, 2026 special meeting minutes (Budget Retreat). Seconded by Councilman Shelton. Motion carried unanimously.

Old Business: None

Public Comments: None

New Business:

Minimum Housing update and consideration of proposed next steps for 300 S. Glenn Street – Mr. Eric Clem, State Code Enforcement Officer, presented details regarding a property at 300 South Glenn Street that had ongoing issues with animal and water intrusion. The owner had failed to comply with a 90-day repair order. Mr. Clem explained the statutory requirement to determine whether repair costs exceed 50% of the property's value (approximately \$98,000) to justify demolition; otherwise, civil penalties would be pursued. After discussion, Councilman Shelton made a motion to approve the expenditure of \$350 to hire a licensed contractor to assess repair costs. Seconded by Councilwoman Daisy Smith. Motion carried unanimously. Copy incorporated into minutes.

Consideration to approve Town Administrator Contract - The council considered approval of the Town Administrator's contract. Councilwoman Jessica Smith made a motion to approve the contract. Seconded by Councilman Shelton. Motion carried unanimously. Copy incorporated into minutes.

Consideration to amend Personnel Policy Section 32.030(i) Hiring Procedures – Add Requirement for Motor Vehicle Record Checks with guidelines and consent form - A proposed amendment to Personnel Policy Section 32-030 was presented to require motor vehicle record checks for employees operating town vehicles, as recommended by the town's insurance provider. Councilwoman Daisy Smith made a motion to adopt the amendment. Seconded by Councilman Thornton. Motion carried unanimously. Copy incorporated into minutes.

Consideration of quotes for two (2) asphalt repairs at 111 Ponderosa Road and Priddy Road – The council reviewed and ratified a prior decision to proceed with asphalt repairs on Ponderosa Road and Priddy Road, which had already been completed due to time-sensitive coordination with NCDOT work. The repair on Ponderosa Road was due to a sewer line repair and the repair on Priddy Road was due to a water line repair. Councilwoman Jessica Smith made a motion to ratify the selection of Lambeth Paving's quote in the amount of \$21,360.00 for the project. Seconded by Councilman Shelton. Motion carried unanimously. Copy incorporated into minutes.

Consideration of quotes to replumb the restrooms at Stoneville Memorial Park – The council discussed quotes to repair a significant water leak at the Stoneville Memorial Park restrooms. The quotes included costs to replumb the facility to avoid extensive demolition. After discussion regarding costs and warranty considerations, Councilman Shelton made a motion to approve the Dyers Plumbing quote in the amount of \$15,055. Seconded by Councilwoman Daisy Smith. Motion carried unanimously. Copy incorporated into minutes.

Consideration to solicit bids for Pocket Park renovations at 110 N. Henry Street – The council considered a proposal to move forward with downtown pocket park renovations by adding restrooms and making aesthetic upgrades such as new pavers and landscaping. There is McMichael Core Grant funding designated for this project. Councilwoman Jessica Smith made a motion to proceed with soliciting bids for the project. Seconded by Councilman Shelton. Motion carried unanimously. Copy incorporated into minutes.

Town Administrator Report: Town Administrator Michael Sands reported that four towing companies had agreed to participate in a rotational towing system for nuisance vehicles, with no cost to the town. The companies would collect fees directly from vehicle owners and assume responsibility for storage and liability.

Mr. Sands also informed Council of upcoming rate increases from the Town of Mayodan, including a 6% increase in water rates and a significant increase in sewer rates. These increases would impact the town's costs and require adjustments to local utility rates in the near future. The council acknowledged the need to address this during the budgeting process.

Mayor Galvan announced the next regular meeting scheduled for May 5, 2026.

Motion to adjourn made by Councilman Thornton. Seconded by Councilman Bennett. Motion carried unanimously.

The meeting adjourned at 6:25 p.m.

Mayor, Kathy Stanley-Galvan

Town Clerk, Deleia Hutcherson

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**Stoneville Town Council
Special Meeting Minutes
Budget Work Session
April 14, 2026
6:00 PM - Council Chambers**

Special Meeting

Members Present: Mayor Kathy Stanley-Galvan and Council members Jessica Smith, Daisy Smith, Henry Thornton, Curt Bennett, and Lee Shelton. Staff Present: Town Administrator Michael Sands, Finance Officer Mary Ann Greer, Town Clerk Deleja Hutcherson, Fire Chief Joel Freeman, Public Works Director Byron Curry, Police Chief Rebecca Dixon, and Town Attorney Eugene Russell.

Welcome: Mayor Galvan welcomed the assembly and called the meeting to order at 6:00pm.

Agenda: Councilwoman Jessica Smith made a motion to approve the April 14, 2026 agenda. Councilman Thornton seconded. Motion carried unanimously.

Working Budget Review for 2026/2027

Mr. Sands presented a working draft of the FY 2026–2027 proposed budget. He explained that departmental requests initially exceeded available funding and that efforts have been made to reduce non-essential items. The proposed budget remains unbalanced at this time. Council priorities were incorporated where possible. The Council agreed to review the budget page by page.

Revenue Review

General Fund & Fund Balance - Discussion was held regarding the proposed use of general fund balance to achieve a balanced budget. Staff advised that fund balance should not be used for recurring expenses and is typically reserved for capital or one-time expenditures.

Property Tax Revenue Projections - Preliminary estimates from the county indicate a projected decrease in property tax revenue. This is largely due to state law changes delaying taxation on newly constructed homes until they are sold and occupied as of January 1. Council acknowledged that this will result in a lean fiscal year, with potential improvement in the following year.

Restricted Funds - Restricted funds derived from Powell Bill revenues were reviewed. These funds are limited to infrastructure-related expenditures such as roads and sidewalks.

Other Revenue Sources

- Fire protection tax revenue is projected to increase.
- Sales and service revenues are expected to remain stable.
- A projected increase of approximately 5% in solid waste costs was noted.
- Investment earnings are expected to increase due to improved fund management strategies.
- Grant revenues remain uncertain and are not fully included.

Expenditure Review

Administration - The administration budget was reviewed, including:

- Retention of a split administrative position between general and utility funds.
- Reduction in overtime expenditure.
- State-mandated increase in retirement contributions (15.1%).
- Uncertainty in projected health insurance costs.
- Modest adjustments to operational expenses.

Zoning Services Proposal:

A proposal to contract zoning services through the county for approximately \$6,000 annually was discussed.

Code Enforcement Proposal:

Staff presented a proposal to enter into an interlocal agreement with the Town of Mayodan to share a code enforcement officer, increasing service availability to two days per week.

Planning & Zoning Discussion - Council discussed challenges in hiring qualified zoning staff and considered the benefits of outsourcing services to the county. The proposed arrangement is expected to streamline processes and improve coordination. Concerns regarding long-term costs and agreement terms were noted.

Fire Department - The fire department budget was reviewed. Compensation rates were noted to be competitive with surrounding jurisdictions. No significant changes were proposed.

Governing Board – Election related expenses were removed from the budget due to no scheduled elections in the upcoming fiscal year.

Police Department -The police department budget included:

- A multi-year software/program contract (approx. \$41,000 total allocation across departments).
- Consideration of lower-cost alternatives for certain systems.
- Adjustments to overtime and part-time salary projections.
- State-mandated increase in retirement contributions (17.1%)

Public Buildings - No significant changes or concerns were noted.

Public Works - Public works operations and funding allocations were reviewed. A reduction in road paving expenditures was noted as a cost-control measure.

Council Discussion

Council members engaged in ongoing discussion regarding:

- Revenue uncertainty and reliance on projections
- Cost control and prioritization of services

- Contractual obligations and shared service agreements
- Long-term financial sustainability

Water-Sewer Rates for Fiscal Year 2026/2027

The water and sewer portion of the budget work session reflects that the Town’s utility system operates as a self-supporting enterprise fund, requiring user rates and fees to fully cover operating costs, capital needs, and required reserves. Due to an increase in wholesale water and sewer costs from the Town of Mayodan, the proposed budget includes a corresponding rate increase to customers, consistent with a previously established rate plan. The intent of this adjustment is to ensure the system remains financially stable while meeting regulatory expectations, including maintaining an adequate fund balance target of approximately 16 percent to remain in good standing with the LGC (Local Government Commission).

Fee Schedule for Fiscal Year 2026/2027

The Council reviewed the current fee schedule and found that, based on comparisons with other municipalities, the Town’s fees are generally consistent, with the exception of golf cart renewal fees. The annual renewal fee is currently set at \$10.00; however, Council reached a consensus to increase the fee to \$25.00 in order to align more closely with those charged by other local municipalities.

Action Items

- **Staff:** Continue refining the proposed budget to address the current shortfall.
- **Staff:** Provide additional details on zoning service contract terms and flexibility.
- **Staff:** Clarify cost projections and structure of the code enforcement interlocal agreement.
- **Council:** Evaluate priorities and identify potential reductions or adjustments to achieve a balanced budget.

Motion to adjourn made by Councilman Bennett. Councilman Thornton seconded. Motion carried unanimously.

Adjourned at 7:44 p.m.

Mayor, Kathy Stanley-Galvan

Town Clerk, Deleia Hutcherson