

**TOWN OF BAILEY MEETING MINUTES
REGULAR PUBLIC MEETING – 11/17/2025**

The Regular Public Meeting of the Bailey Town Board was held at Bailey Town Hall on November 17, 2025 at 6:30 PM.

The following Board members were present: Mayor Owen H. Strickland II, Mayor Pro Tempore/Commissioner Walter Wells and Commissioners Dillon Bissette, David Evans, Ervin Powell, and Richard Wilson.

Also present: Town Administrator/Town Clerk/CFO Joel Killion, Zoning Administrator/Code Enforcer Shawn Lucas, Police Chief Adam Gelo, and Town Attorneys Mark Edwards and Nick Berry.

Mayor Strickland called the meeting to order and welcomed everyone.

Invocation

Pledge of Allegiance

Adoption of Agenda:

Before accepting motions to adopt the Agenda, Mayor Strickland proposed to the Board that the Country Doctor Museum representative be added in the first position under Old Business.

Commissioner Wells made a motion to accept the Agenda for this meeting as presented along with the Mayor's addition, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Wilson: Aye, Evans: Aye, Powell: Aye, Bissette: Aye.

Approval of Previous Meeting Minutes:

Commissioner Evans made a motion to approve the regular meeting minutes for October 20, 2025, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Evans: Aye, Wilson: Aye, Powell: Aye, Bissette: Aye, Wells: Aye.

Commissioner Wells made a motion to approve the special-called public meeting minutes for October 28, 2025, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Wilson: Aye, Powell: Aye, Bissette: Aye, Evans: Aye.

Acceptance of Financials:

The Board of Commissioners accepted the Deposit Accounts Balances Summary from Southern Bank, the Accounts Summary from KS Bank, and the Budget vs Actual Report.

Public Hearing:

None

Public Comments:

None

Administrative Reports:

Sewer & Water Department – Envirolink – Mr. Jesse Horne – Mr. Horne, who had recently been hired by Envirolink but came with a wealth of knowledge in the industry, received the Monthly Activity Report for November 2025 that he had not yet received from his colleague, Mr. Daniel Sears. Then, Sewer/Water Commissioner Wells provided him and the Board with a brief summary of recent activity.

Cemetery & Landscaping Department – Top Notch Lawn Care – Mr. John Thompson, Owner/Operator – Mr. Thompson provided a brief update on landscaping in Town and at the Bailey Cemetery.

Regulatory Department – Mr. Shawn Lucas, Zoning Administrator/Code Enforcer – Mr. Lucas provided a brief update on zoning, planning and code enforcement-related matters.

Police Department – Chief Adam Gelo – Chief Gelo provided a brief update on law enforcement matters in Town, including operations done with Nash County Sheriff's Department. He also laid out a general review of law enforcement plans for the 2025 Christmas Parade.

Administration – Mr. Joel Killion, Town Administrator/Town Clerk/CFO – Administrator Killion directed the Board's attention to an email provided in their packets from Mr. Justin Waddell (KS Bank) regarding the renewal of several CDs with KS Bank. The email provided term and interest options, including a 5-month special at 3.85%.

Commissioner Evans made a motion to renew the CDs for 5 months at 3.85% with KS Bank, and Commissioner Wells seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Evans: Aye, Wells: Aye, Powell: Aye, Bissette: Aye. Wilson: Aye.

Next, Administrator Killion presented the updated Customer Feedback Form to the Board that included the changes they suggested. This form would allow customers to provide both positive and negative feedback regarding customer service.

Commissioner Wells made a motion to accept the Customer Feedback Form as presented, and Commissioner Powell seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Powell: Aye, Evans: Aye, Bissette: Aye. Wilson: Aye.

Then, Administrator Killion directed the Board's attention to the "Proposed 2025 Christmas Bonuses" document included in their packets and reviewed it with them.

Commissioner Bissette made a motion to approve the proposed 2025 Christmas bonuses, and Commissioner Powell seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Bissette: Aye, Powell: Aye, Evans: Aye, Wells: Aye. Wilson: Aye.

Afterward, Administrator Killion asked the Board to review and vote on the "2026 Board of Commissioner Regular Meeting Schedule" and the "2026 Holiday Schedule."

Commissioner Powell made a motion to approve both schedules, and Commissioner Bissette seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Powell: Aye, Bissette: Aye, Evans: Aye, Wells: Aye. Wilson: Aye.

Administrator Killion then presented a spreadsheet included in the Board packets showing the property tax rates over the last 25 years, since fiscal year (FY) 2000/2001. For 18 years, from FY 2000/2001 to FY 2017/2018, the rate remained at \$.61 with no adjustments. Then, for 5 years, from FY 2018/2019 to FY 2022/2023, the rate went to and remained at \$.63 with no variation. And finally, for the last two years, from FY 2023/2024 to FY 2024/2025, the rate went to and remained at \$.68 with no variation. And he added that utility billing rates were also left mostly unchanged over all these years. He explained that these are the reasons why the Town is now having to act so quickly and drastically to raise revenues. As expenditures and inflation continued to rise over the last 25 years, including during the Covid-19 pandemic, revenues remained stagnant.

Then, Administrator Killion directed the Board's attention to a document included in their packets regarding a cash offer to purchase shares the Town purchased in 2001 in Principle Financial Group, Inc. When it was determined that more research would be needed to address this offer, Commissioner Wells made a motion to table this matter to allow Administrator Killion and Commissioner Evans to conduct the research and provide a recommendation to the Board, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Wilson: Aye, Evans: Aye, Bissette: Aye. Powell: Aye.

Finally, Administrator Killion informed the Board about a utility billing issue involving a customer who requested a monthly manual payment notice be provided to them after the Town receives

their "Bill Pay" transactions from their bank. He explained to the Board what he expressed to this customer, which was that the Town offers two methods of payment that provide a receipt, confirming payment has been received: (1) In person payments done at Town Hall, and (2) Online payments done via AllPaid (soon to be replaced by Atlantic Merchant/Converge). He informed the Board that he promised the customer that this matter would be brought before the Board for their feedback, per the Mayor's request.

The Board had no feedback.

Committee Reports:

None

Old Business:

Country Doctor Museum – Ms. Annie Anderson (Director & Curator) gave a brief update on some of the recent events hosted by the Museum. And regarding the future of the Museum, she shared that she attended a meeting in mid-October between the Bailey Chamber of Commerce and the ECU Provost and staff, where the Chamber offered to become a steward of the Museum, which was well-received by ECU. She mentioned that ECU Health Foundation, which owns the Museum, has hired a law firm, that specializes in non-profit administration, to draft transition documents, which should be ready by the new year.

Hanover Street Parking – Commissioner Bissette Shared that he did not have any updates on this but would have something emailed to the Board soon.

ABC/Nash County Report – Mayor Strickland shared that he had a meeting with the General Manager of the Nash County ABC Department. And ABC No. 4, which is Bailey's, for fiscal year ending on June 30, 2025, sold \$788,361 worth of alcohol. And after all the deductions were taken from this, it came to a Net Profit of \$6,445 for the year, 75% of which goes to Nash County, while 25% goes to Bailey. With that said, since "Liquor by the Drink" was passed, Bailey has not been receiving any of the profits from sales of the mixed beverage bottles because the ABC Store in Bailey is not a liquor by the drink/mixed beverage store. But their auditor has now reviewed that and it will be added to the bottom-line profit for the ABC Store in Bailey. That being said, it may not amount to \$200 or it may be more. We don't know.

Review of Fee Schedule – Mayor Pro Tempore/Commissioner Wells reminded everyone that the Board formed a small committee to review the Fee Schedule and that no committee meeting has been held yet. There was, therefore, nothing to report.

New Business:

Bailey WWTF Project Scoping – Mr. Richard Moore (Engineer with McDavid Assoc. Inc.) provided a summary regarding the allocation of \$750,000 from the NCDEQ through Nash County and explained a scoping/application document that provided a general project description and budget must be provided to Nash County. The scoping recommends appropriating the funds for land application system expansion at the wastewater treatment

facility (WWTF) with the aim of relieving the Town of its sewer moratorium that has been in place since the early 2000s.

Mayor Pro Tempore/Commissioner Wells affirmed Mr. Moore's comments that expanding the WWTF, so as to provide the full 90,000 gallons per day spray field application expansion, is vital to addressing the DEQ-imposed sewer moratorium so Bailey can grow. And he added that using these funds for this purpose seemed to him and Commissioner Evans to be the best solution toward this aim.

Mr. Moore added that this expansion would be viewed positively by the State, thereby improving the Town's relationship to the State.

Commissioner Evans added that the \$14.5 million being spent to upgrade/fix the sewer and water systems, so that it functions more efficiently and effectively for our customers, is not going to get the Town off the sewer moratorium. The Town was placed on the moratorium due to the limitations of the spray field. This \$750,000 project is intended to expand the capacity to 90,000 gallons per day, well above the 43,200 gallons per day land application cap imposed by the DEQ, so that there is a longer-term capacity for the Town as it grows.

Mayor Strickland handed out a copy of the Interlocal Cooperation Agreement between the Town of Bailey and Nash County, along with the NCDEQ/DWI Request for Funding for S.L. 2023-134 Water/Sewer Directed Funds for the \$750,000 wastewater project. He shared that the second document indicates a different scope of work for this project, which could possibly assist the Town of Bailey with an expansion of lines, along with expanding the spray fields. He added that he thought this scope was what was going to be discussed this evening, but he had noticed from the scope of work provided by Mr. Moore via email the previous week and discussed this evening, that the line expansion had completely disappeared. Then, he commented that he didn't think the Board, other than Commissioners Wells and Evans, was aware of this change to the scope of work.

Mr. Moore remarked that the State would not approve a line extension to provide sewer services to additional customers until Bailey is off the sewer moratorium and the only way to get off the moratorium is to expand the wastewater treatment plant. And from a timeline standpoint, if Bailey was to extend lines and expand the wastewater treatment plant, we would have to expand the wastewater treatment plant, get off the moratorium, and then proceed with line extensions, and it isn't clear that the timeline would allow this to happen. So, to ensure the best use of the funds, it was recommended to focus on acquiring the most capacity for the asset (the WWTF) instead of extending lines to unserved areas we would likely not be able to provide connections for due to the demands of the sewer moratorium. Also, it is much cheaper to extend lines than it is to expand the capacity of the wastewater treatment plant, and so the thought process on just doing the expansion was the value of the capacity versus the extension to unserved areas.

Mayor Strickland said that he was told multiple times by a State legislator that if the Town of Bailey stays under the 43,200 gallons per day limit repeatedly for a period of time – though no

one at the DEQ will tell us what that period of time is or what all Bailey has to do to get off the sewer moratorium – the DEQ, by law, has to let us off the moratorium.

Mr. Moore mentioned that the Town would have to stay at or below 80% of that 43,200 gallons per day limit.

Mayor Strickland apologize for forgetting about the 80% part, but said Bailey hovers around that 43,200 mark all the time – hovering above it and below it. And then he remarked that Commissioner Evans had said that the \$14 million project may do a lot to assist with infiltration and may help to get us off the moratorium.

Commissioner Evans shared that if we don't expand the capacity of the spray field, we will quickly bump into the same problem we have right now, whether we're on the moratorium or not. The saturation of the soil at the spray field, within the existing land mass, only goes to a certain point, and the only way around that is to add to the land mass. Then, we have the factor of 80%. If we don't expand the capacity of the spray field, we won't be able extend lines and provide sewer taps to unserved areas. The \$14 million projects will provide some capacity to add the existing systems under the current permit because we will reduce infiltration, and the reduction of infiltration, according to how the permit is written currently, will allow us to put the existing systems back on, as long as we stay below 80% of 43,200 gallons per day. But we would hit a point, reasonably soon, if we didn't expand the spray field, where we couldn't add new systems, within the town or anywhere else. We would quickly max out and be back on the moratorium. And so, the longer-term solution, in addition to getting off the moratorium, is to add capacity to the wastewater treatment plant.

Mayor Pro Tempore/Commissioner Wells commented that the State would lift the sewer moratorium from Bailey if we stayed consistently, for an untold amount of time, under 80% of 43,200, which is 34,560 gallons per day. And we do not stay consistently under 34,560 gallons per day by any stretch. Therefore, the Board is responsible for doing all it can to raise the capacity of the WWTF as much as possible since we do not currently have another option in sight for growth. Otherwise, Bailey will be forced very quickly back onto the moratorium, with zero options for getting off of it and no ability to expand and grow.

Commissioner Bissette asked for clarification regarding the 90,000 gallons per day capacity at the WWTF.

Mr. Moore said that the size of the assets, the base facilities (i.e. the lagoon, the spray facilities, the primary force main, the effluent infrastructure, etc.), as it sits now, can accommodate up to 90,000 gallons per day.

Commissioner Bissette then asked what the expansion of the spray field would accommodate.

Mr. Moore said that the goal is to get as close to that 90,000 number in terms of being able to apply 90,000 gallons per day to the field. Right now, Bailey can receive and store it, but it can't spray it. The spray permit currently only allows 43,200.

Commissioner Bissette said that it sounds like this \$750,000 project would raise this ceiling. Mr. Moore said that the goal is to get as close to that 90,000 figure as possible.

When all discussion was done, Commissioner Wells made a motion to approve the scoping as presented this evening for the utilization of the Town of Bailey's \$727,500 appropriated to Nash County by the General Assembly to increase the size of Bailey's spray field to approach as much as possible the maximum usage of our plant to accommodate the 90,000 gallons per day, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Wilson: Aye, Evans: Aye, Bissette: Aye. Powell: Aye.

24/25 Fiscal Year (FY) Audit Presentation – Mr. Lee Grissom (CPA/Auditor with S. Preston Douglas & Associates), via video call, presented the 24/25 FY Audit to the Board and public. He shared that this was the second audit that was completed and submitted by the deadline set by the N.C. Treasurer. He affirmed the work of Administrator Killion and the outsourced bookkeeper, Mrs. Leslie Jefferson, with Overman & Parks CPA, in getting the town caught up on 4 late audits (from FY 2019/2020 to FY 2022/2023) and completing the last two audits (for FY 2023/2024 and FY 2024/2025) on time. He also shared that his firm issued an unmodified (clean) opinion on this last audit, which is the highest level of assurance an independent CPA firm can issue on a set of financial statements. He said that they found no illegal acts. He added that the State was pleased with Bailey's financial metrics, even though they have concerns about the Town's Fund Balance.

Reid St./O'Neal St. Issue – Mayor Strickland directed the Board's attention to pictures in their packets of a pipe and two piles of debris on a private property at the end of Reid Street. Mr. John Thompson (Top Notch Lawn Care) was asked if he could handle these things. After further discussion, Mr. Thompson said he would have them removed.

Commissioner Wells made a motion to have Top Notch Lawn Care remove the road debris, dirt, and pipe at the end of Reid Street and that such costs would be applied to the associated budgets, and Commissioner Wilson seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Wells: Aye, Wilson: Aye, Evans: Aye, Bissette: Aye. Powell: Aye.

Resolution for 2022 Sanitary Sewer Improvements Project # VUR-W-ARP-0067 – Mayor Strickland directed the Board's attention to this Resolution.

After a very short discussion, Commissioner Evans made a motion to approve this Resolution, and Commissioner Wells seconded the motion. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Evans: Aye, Wells: Aye, Wilson: Aye, Bissette: Aye. Powell: Aye.

Commissioner's Remarks:

Dillon Bissette – No remarks.

David Evans – No remarks.

Ervin Powell – No remarks.

Richard Wilson – No remarks.

Mayor Pro Tempore/Infrastructure and Sewer & Water Commissioner's Remarks:

Mayor Pro Tempore/Commissioner Wells suggested that the Board hire Mr. Mark Boykin to conduct regular monthly maintenance on the Town's mobile generator and to provide regular feedback to the Board on its condition.

Mayor's Remarks:

Mayor Strickland shared that he went before the LGC to seek approval for the new Police vehicle and reported that it was approved.

Closed Session:

None

Commissioner Powell made a motion to adjourn the meeting, and Commissioner Evans seconded. Motion carried.

Vote: Mayor Strickland: N/A, Commissioner Powell: Aye, Evans: Aye, Bissette: Aye, Wilson: Aye, Wells: Aye.

Meeting adjourned.



Owen H. Strickland II, Mayor



Joel Killion, Town Administrator/Town Clerk/CFO