

Town of Hot Springs
Board of Alderman Meeting
December 8, 2025

Present:

Mayor Abigail Norton
Alderman Lisa Gahagan
Alderman Tammy Shelton
Alderman Wendy Stancil
Attorney Larry Leake

Clerk – Nancy Thomas
Disaster Relief Admin Assistant (DRAA) – Sena Kassim
Donation Center – Mandy Cox
Entertainment Committee –
Fire – Josh Norton
Maintenance – Jeremy Trantham
Planning & Zoning – Tim Arnett

Police Department –
Project Management – Brad Guth
Rebuild Hot Springs Area (RHSA) -
T.J. Phillips
Safety –
Tax Collector – Laura Holloway

Mayor Norton called the meeting to order at 6:00 p.m., reminded attendees to follow the Public Charge, and requested cell phones be silenced and conversations kept to a minimum.

The Board approved the November 10, 2025, minutes on a motion by Alderman Stancil, seconded by Alderman Gahagan, with unanimous consent.

AGENDA

Tim Arnett

Request for Noise Ordinance Extension:

The Tavern requested an extension to play music indoors until midnight on January 1, 2026. Clerk Nancy Thomas will provide the required form. Motion to approve by Alderman Gahagan, seconded by Alderman Shelton; approved unanimously.

PUBLIC COMMENT

→ Ike Lassiter

Mr. Lassiter asked Stacey Geyer to collect information about upcoming events. Ms. Geyer will then distribute the information to other publishers. Mr. Lassiter wants to ensure that the information is shared with everyone. Mayor Norton stated that Ms. Geyer would be the best person for the task since she is with the Hot Springs Tourism Association.

DEPARTMENTS

Project Manager – Brad Guth

Wastewater Treatment Plant Clarifier and Aeration Tank Cleaning Request for Quote (RFQ) - Due to Hurricane Helene, debris must be cleared for the new package plant. Twelve RFQs were

issued; only one response was received for \$387,500, exceeding FEMA's \$250,000 threshold. Mr. Guth asked whether to extend the RFQ or proceed with a formal bid. Alderman Gahagan recommended moving forward with a formal bid.

Consideration of Authorization to Apply for SmBIZ Funding – Downtown Wi-Fi Hot Spot Project –
The Board approved applying for a \$200,000 reimbursement grant for a Downtown Wi-Fi Hot Spot Project. The Town will pay upfront, with possible assistance from Rebuild via a sponsor. If awarded, the Town may decline if finances are tight. Next grant cycle: February 2026. Motion by Alderman Stancil, seconded by Alderman Shelton; approved unanimously.

Consideration of Design Charrette Initiative – Mr. Guth collaborated with Appalachian Design Center, AIA Charlotte, and local architects to develop the Town's vision plan, showcasing Hot Springs' potential and strengthening future grant applications. He requested Board endorsement. Alderman Gahagan moved to approve the initiative; Alderman Stancil seconded; motion carried unanimously.

Submission of Grant Application Updates

- **Hurricane Helene Local Government Capital Grant Program:**
FEMA reduced our grant by 50% due to insufficient insurance coverage for Town Hall and the Maintenance Building. We applied for \$10,428 for the Maintenance Shop and \$250,000 for Town Hall. Any remaining funds will be allocated toward property acquisition for the proposed wastewater treatment plant. The grant decision is expected in January, and the funding will be 100% reimbursable.
- **NC Disaster Relief and Mitigation Fund (DRMF 2025) – Spring Creek Bridge Replacement Design & Streambank Stabilization:** Debris buildup at Spring Creek Bridge during Hurricane Helene caused significant damage to Hot Springs. The Town applied for a 100% reimbursement grant to fund a clear-span bridge design, aiming to improve its position on the DOT replacement list. The bridge is owned by the North Carolina DOT, and the grant covers design only—not replacement. Grant results are expected in January 2026.

Mr. Guth presented a project status list, including completed, awarded, active, and developing items.

Disaster Recovery – Sena Kassim

Ms. Kassim referred the Board to the Town's bank account balance sheet and offered to provide additional details upon request. Alderman Gahagan noted she would review several items with Ms. Kassim soon.

Ms. Kassim referred the Board to her handout and recommended updating the Sewer Ordinance to clarify Town vs. property owner responsibilities. Clogs from tree roots, grease, or non-flushable items, and breaks between the home and lateral sewer tap are the owner's responsibility; breaks in the Public Right of Way are the Town's. Her research included other municipalities. She noted

the policy uses technical language and should be rewritten in plain terms to clearly define responsibilities. Mr. Trantham confirmed the standards but said the wording sounds industrial rather than residential. Alderman Gahagan agreed it should be more user-friendly.

The Code-Red alert system now has 65 users. Ms. Kasim stated that the December water bills will include wording encouraging residents to go online and sign up for the alert service.

The Board approved purchasing a maintenance truck at the November meeting. Ms. Kassim asked about financing options; First Horizon offered a 6-year loan at 6.35% interest. Mayor Norton noted the Town previously compared multiple quotes. Alderman Stancil moved to accept First Horizon's offer, seconded by Alderman Shelton; motion carried unanimously.

Mayor Norton requested approval to appropriate \$62,924.08 for Maintenance Capital Outlay and amend revenues by increasing Loan Proceeds by the same amount. Motion by Alderman Shelton, seconded by Alderman Gahagan; approved unanimously.

Ms. Kassim outlined her 2026 priorities:

- Update policies, ordinances, and personnel policy
- Assign revision numbers for document integrity
- Digitize documents for security
- Ensure accurate leave tracking in QuickBooks
- Implement procurement policy with micro-purchase approval
- Improve utility software reporting
- Collaborate with the accountant and program experts for accurate updates

Mayor Norton will schedule a Board Workshop in early 2026 to set goals for the year.

Rebuild Hot Springs – T.J. Phillips

A Golden Leaf Foundation grant may fund full restoration of the Community Center and Old Jail *if* pursued as an Economic Development project. The Community Center would retain its current use, while the jail could serve as a quiet workspace for residents and visitors. Rebuild seeks the Board's support during design and mock-up development, and the Board agreed to provide a letter of support when needed.

Mayor Norton asked if adding gravel to the public parking lot would affect Rebuild's surfacing plans. Mr. Phillips said it wouldn't.

Fire Department – Josh Norton

Chief Norton presented a tree-trimming quote from Daniel Huntsinger, which the Board unanimously approved.

The department has \$6,700 remaining for chainsaws, leaf blowers, forestry hoses, and related equipment.

Chief Norton is working with Rebuild to set up an emergency site at the Fire Department's pole shed.

The FireFly substation is operational. Chief Norton asked if the Town will assume responsibility for the uninsured building, truck, and related expenses. If voters approve a rural fire tax, the County will set the rate, and the Town's Board of Aldermen would oversee the FireFly district. It's unclear whether FireFly taxes would cover ongoing costs. Currently, Hot Springs taxpayers fund all rural fire runs without reimbursement. Attorney Leake noted that, historically, Town vehicles and equipment were not allowed to leave Town.

Chief Norton requested quarterly Budget-to-Actual reports for all departments and proposed purchasing Active911 to alert first responders. Ms. Kassim will distribute the reports.

Chief Norton is arranging traffic control for the parade and holiday season at Lance and 25/70.

Attorney Leake asked Chief Norton who owns the FireFly property where the Hot Springs Fire Department substation is located. Chief Norton said FireFly owns it and refused to deed it to the Town. Leake advised having FireFly sign an agreement allowing the Fire Department to remove the building later; otherwise, FireFly could claim ownership. He will draft the document for Chief Norton to present. Mr. Leake also indicated that the insurance reduction doesn't come/count unless FireFly is within a designated district.

Chief Norton asked about the status of derelict buildings. Attorney Leake said some properties are owned by non-residents and, if deemed unsafe, he will contact County inspectors. If condemned, the Town must notify owners to repair or face demolition. Mr. Leake will research property disposition if the Town pays for demolition. Chief Norton requested "No Entry" signage, and the Board unanimously directed Mr. Leake to reach out to the County inspector.

Chief Norton informed the current Board that the previous Board had agreed to amend the budget so the remaining insurance funds would go to the Fire Department, and the Mayor concurred. Chief Norton plans to purchase barricades that can also be used by the Maintenance Department. He also intends to establish a command post where different departments can set up in case of another disaster.

Maintenance Department – Jeremy Trantham

Mr. Trantham confirmed Ms. Kassim addressed his questions about the maintenance truck.

Maintenance shop lights are now on!

Planning and Zoning Board – Tim Arnett

The Planning and Zoning Board will meet in January; no updates at this time. Mr. Phillips (Rebuild) requested to be added to the January agenda.

Mayor Norton asked if Katlin would attend the January meeting to review ordinance updates. Mr. Arnett said the Planning Board wants Katlin to confirm the updates reflect the Board's intent.

Ms. Kassim said she will create a SharePoint document for the Planning Board's files to ensure online storage.

Tax Department – Laura Holloway

Ms. Holloway presented outstanding 2024 Real Property Tax accounts over \$100, noting they were included in the 2025 tax bills.

The Town has collected 42.98% of 2025 Real Property Taxes.

Ms. Holloway will provide monthly reports on outstanding 2025 Real Property Tax accounts.

Ms. Holloway reported a request to pay 2025 taxes in monthly installments. The taxpayer has consistently made payments since 2021 and is current on prior years. The 2025 balance is \$1,134.08, with at least \$150 monthly payments planned. The Board unanimously approved the request on a motion by Alderman Stancil, seconded by Alderman Shelton.

TOWN BUSINESS

Mayor Norton

Two 5-Million Dollar Grants for the Water System:

- Letter of Intent to Fund Town of Hot Springs Helene Water System Improvements.
- Letter of Intent to Fund Town of Hot Springs Helene Sewer System Replace & Pump Station Upgrade.

The Town secured \$5,204,990 in funding, including \$5 million in full principal forgiveness and the remainder eligible for 75% forgiveness. The award totals \$5,153,743 forgiven and \$51,248 in loans. Mayor Norton asked the Board to approve accepting the grant and the loan if costs exceed the award. Alderman Stancil moved to approve the Water System Improvements grant; Alderman Gahagan seconded; motion carried unanimously.

The Helene Sewer System Replacement & Pump Station Upgrade grant totals \$5,000,000, fully forgiven, including a 2% fee covered by the principal forgiveness. Alderman Shelton moved to approve; Alderman Stancil seconded; motion passed unanimously.

Mayor Norton presented a \$930.90 quote from Clark's Well and Pump to replace the fiberglass well cover lost during Hurricane Helene. The cost will be included in the FEMA project. Alderman Gahagan moved to approve the purchase; Alderman Stancil seconded; motion carried unanimously.

At 7:41 p.m., Alderman Stancil moved to enter Executive Session; Alderman Shelton seconded; motion carried unanimously.

At 8:17 p.m., Alderman Gahagan moved to return to Regular Session; Alderman Stancil seconded; motion carried unanimously.

In Executive Session, the Board discussed _____.

With no further business, the meeting adjourned at 8:18 p.m. on a motion by Alderman Stancil, seconded by Alderman Gahagan; all in favor.

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Approved

Abigail Norton
Mayor Abigail Norton

Date 1-12-26