

**CITY OF LAURINBURG
CITY COUNCIL MEETING
FEBRUARY 17, 2026
CITY HALL AND POLICE DEPARTMENT
303 WEST CHURCH ST.
6:00 PM**

Minutes

1. CALL TO ORDER

The City Council of the City of Laurinburg held its regular meeting on Tuesday, February 17, 2026, in the Council Chambers of the City Hall and Police Department at 6:00 p.m. with the Honorable James T. Willis, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, DeMarco Allen, James McLean, Rosemary Rainer, and Andrew G. Williamson, Jr.

Also present were Charles D. Nichols III, City Manager; William P. Floyd, Jr., City Attorney; Amanda K. Futrell, City Clerk; Brooke Bathie, Deputy City Clerk; Harold W. Haywood, Budget & Management Services Director; Mitchell "Mitch" Johnson, Police Chief; Walker McCoy, Community Development Director; Jennifer McGirt, Finance Director.

Mayor Willis called the meeting to order at 6:02 p.m. Councilmember Williamson gave the Invocation and led the Pledge of Allegiance.

2. APPROVAL OF AGENDA

The City Manager noted that there were two amendments made to the Consent Agenda. He stated that Item 5(f), to consider approval of the site plan for the Circle K Store, was added and Item 7(a), to discuss the Sky High Aerospace Expo 2026 Airshow with speakers Mr. Seth Hatchell of the Southeastern Regional Airport Authority and Mr. Trey Brown, Sky High President, was removed. He explained that Item 7(a) was removed due to the absence of Mr. Trey Brown and that it will come back to Council in March or April to discuss event updates.

Councilmember Adams moved to approve the agenda, as presented. Mayor Pro Tem Rainer seconded the motion. The vote was unanimous.

3. RECOGNITION

- a. Recognition of an Officer completing his Criminal Investigation Certificate Program.

Mayor Willis called upon Detective Carlos Castaneda to recognize his achievement of a significant milestone in his career. He read aloud an excerpt from the Criminal Investigation Certificate Program to outline the premise of the recognition. Mayor Willis recognized Detective Castaneda for his numerous years of full-time criminal investigation experience and thanked him for his service to the community, noting that he is someone who raises the standards of professionalism within the City of Laurinburg.

Police Chief Johnson recognized Detective Castaneda as a service member who has dedicated his life to his service to the community and is a part of the police force family. He noted that Detective Castaneda always strives for perfection, paving the way for others to do so as well.

- b. Oath of Office Administered to New Police Officer.

Mayor Willis called upon Police Officer Nicholas Henderson to be recognized and administer his Oath of Office.

Police Chief Johnson briefly outlined the Basic Law Enforcement Program, explaining that it is a program for which you must be a candidate and must be able to perform numerous hours of class work and physical fitness tests to pass the program. Chief Johnson stated that he encouraged Officer Henderson to remain in communication with him throughout the course of the program for support, adding that Officer Henderson would notify him every time he passed a test or succeeded at another portion of the training. Chief Johnson commended Officer Henderson for dedicating his life to being the basic law enforcement officer that he is today, congratulated him on his recent marriage, and recognized him as a prior football linebacker at previously established St. Andrews University in Laurinburg. He explained that, when Officer Henderson first entered into the BLET Program, the North Carolina Criminal Justice Standards were undergoing changes that altered the program structure. He continued that program changes included added hours and a reorganized structure, all of which created a different system than prior BLET graduates. Chief Johnson commended Officer Henderson for accomplishing the program's new goals, both for the first time and in the new system.

Chief Johnson noted that Officer Henderson requested his mother and father to stand with him and selected his wife to hold the Bible while being sworn in.

Mayor Willis administered the Oath of Office to new Police Officer Nicholas Henderson.

Chief Johnson provided his law enforcement family with the opportunity to encourage Officer Henderson in his new endeavor and listed his advice for the new officer. Chief Johnson encouraged Officer Henderson to guard his reputation and integrity, treat everyone with great respect and make it a lasting legacy in his career, not to take his duty personally and always operate professionally, be a great communicator, be a sponge for information, get inspired, stay away from negative influences to maintain his purpose he has now begun, always prioritize safety, and to know now that he always has a great family by his side to support and guide him in the right direction.

Officer Henderson's field partner then performed the ceremonial pinning of his badge.

4. PUBLIC COMMENT PERIOD

Mr. William Manning Jr., of Deerfield Circle, addressed Council to request a Key to the City on behalf of Mr. Bobby Clark Sr. He stated that he previously received a proclamation for the services Mr. Clark Sr. rendered to the community and accomplishments he achieved while serving in Scotland County. Mr. Manning Jr. stated that Mr. Clark Sr. has always encouraged others to think positively and believe in themselves, acting as a role model, father figure, mentor, teacher, counselor, provider and dynamic singer. He added that, with more than 45 years as a City of Laurinburg employee, Mr. Clark Sr. wishes to be awarded a Key to the City at a celebration on June 6th, 2026.

Mayor Willis asked Mr. Manning Jr. to clarify the request. Mr. Manning, Jr. confirmed that the request is that a Key to the City be awarded to Mr. Bobby Clark Sr. Mayor Willis asked if Mr. Clark Sr. still works for the City of Laurinburg. Mr. Manning Jr. stated that he is retired. Mayor Willis asked for Mr. Manning Jr. to contact the City Clerk to process his request.

5. CONSENT AGENDA

Mayor Willis read aloud the Consent Agenda:

- a. Consider the approval of the draft minutes for the January 20, 2026 Regular Meeting, and past closed session minutes.

- b. Set a public hearing for Tuesday, March 17, 2026, at 6:00 p.m. to consider a request for a Special Use Permit for Parcel No. 01006707001 on Dundee Drive.
- c. Consider Confirmation of Easements for J.W. Jones Investments, LLC and Elizabeth Ann Jones Turner Properties.
- d. Consider Financial Performance Indicators of Concern (FPIC) Required Responses to the Local Government Commission for the Fiscal Year 2025 Audit.
- e. Consider Ordinance No. O-2026-03 to Amend the Fiscal Year 2025-2026 Annual Budget Appropriations Ordinance No. O-2025-17 to pay a scheduled economic development grant.
- f. Consider approval of the site plan for Circle K Store.

Councilmember Adams moved to approve the Consent Agenda, as presented. Mayor Pro Tem Rainer seconded the motion. The vote was as follows:

Ayes — Adams, Allen, McLean, Rainer, Williamson
Nays — None

(Copy of Ordinance No. O-2026-03 is on file in the Clerk's office)

6. PUBLIC HEARING

- a. Consider a request to rezone 18200 Wagram Road (Parcel No. 203060100704) from Residential-20MH to General Business.

Mayor Willis opened the Public Hearing.

Mayor Willis asked Planning and Zoning Officer Mac McInnis to come forward and explain the request.

Mr. McInnis explained that the owner of parcel 0203060100704, at 18200 Wagram Road, is requesting that the property be rezoned from Residential-20MH to General Business. He stated that the request was heard by the

Planning Board on January 13th, who voted unanimously not to recommend approval of the rezoning.

Mayor Willis asked if the parcel was within the city limits. Mr. McInnis stated that the parcel is not within the City limits but is within the Extraterritorial Jurisdiction (ETJ), and that it is the last parcel in the City's Extraterritorial Zoning District on Wagram Road. The City Manager clarified that the parcel is still under the City's zoning.

In favor of the rezoning request

Mrs. Amanda Niron of Orlando, Florida stated that she supports her husband's rezoning request, because he wants to make Laurinburg a better place. She stated that he is a good person and a great provider, adding that she believes he would do a great job for the City of Laurinburg.

Mr. Quincy Oxendine, of Daves Road, spoke in favor of the rezoning request, noting that he resides a few miles from the subject property. He stated that he has known the applicant for approximately five years and described him as a man of his word, expressing his belief that the proposed business would contribute positively to the City of Laurinburg. Mr. Oxendine referenced the applicant's prior request to establish a truck stop on the parcel, which was denied, and stated that he believes everyone deserves a second opportunity. He added that he believes the proposed rezoning would be beneficial for the County and for local workers, noting that he has been offered employment at the potential establishment. He stated that he is a master carpenter who has been out of work for approximately three years and that he has been married for 36 years. He further shared that he and his wife relocated to Laurinburg from Robeson County and expressed his appreciation for the community. Mr. Oxendine stated that he believes Council should approve the request, recalling that he previously worked for the applicant clearing the subject property over a four-month period and was compensated fairly for his work. In closing, Mr. Oxendine asked Council to grant the applicant the opportunity to move forward, stating that everyone deserves an opportunity regardless of where they are from.

Mr. Raim Niron of Orlando, Florida spoke in favor of his request to rezone Parcel No. 0203060100704. He outlined what he believes would be the benefits of the proposed rezoning, including improved quality of life for residents of the City of Laurinburg and surrounding communities through economic growth. Mr. Niron stated that, in 2025, the United States lost approximately 1.1 million jobs and asserted that job loss contributes to increases in prostitution, drug activity, and other crime. He explained that establishing a business on the subject parcel would create employment

opportunities and generate revenue through city, county and federal taxes, thereby benefiting the local economy. He further stated that, as a small town, Laurinburg would benefit from increased identity and development associated with new business activity. He explained that the presence of plumbing and electrical businesses would attract attention online, noting that consumers rely on internet searches to locate services, and that this could draw additional businesses and tradespeople to the area. He added that increased economic activity would allow money to circulate locally. Mr. Niron also stated that having businesses located within the community could reduce travel distances and associated vehicle emissions. He referenced emission regulations in states such as California and Indiana, noting that certain semi-trucks are restricted unless they meet emissions requirements, including the use of diesel exhaust fluid (DEF).

Mr. Niron stated that businesses can play a role in supporting individuals experiencing homelessness. He explained that when shelters are located near businesses, there may be greater opportunities for funding and community support. He added that an increase in local businesses can help strengthen the community by providing resources such as food, water, clothing, and gift cards, as well as potential employment opportunities for individuals residing in homeless shelters, including those facing illness or domestic hardship. He further stated that small businesses often sponsor local athletes and may assist individuals facing medical challenges who lack financial resources for treatment. Mr. Niron indicated that he was willing to respond to any concerns or opposition related to the proposed business or rezoning request. He concluded by sharing personal background information, stating that he was born and raised a Christian. He commented on his views regarding modern expressions of Christianity and stated that he was taught to obey the laws of the land, provided they do not conflict with God's law.

In opposition to the rezoning request

Mr. Charles Whitehead, of Cypress Drive, spoke in opposition to the zoning request. He stated that, while he understands the importance of supporting small businesses, he believes this matter concerns a single small business proposed on the outer edge of the City of Laurinburg. He clarified that his comments would not be religious in nature, but rather focused solely on the rezoning issue. Mr. Whitehead introduced himself as a member of Northview Harvest Ministry, located across from the proposed rezoning. He noted that Associate Pastor Michael Hunt and several members of the congregation were also present in opposition to the request. He referenced a prior rezoning request in the area for a truck stop that was denied due to safety concerns and stated that he believes the current proposal presents similar potential safety

issues. He also expressed concern that, should the proposed convenience store not succeed, the property could become a temporary parking area. Mr. Whitehead further noted that, once rezoned to General Business, the property could be used for any permitted use within that district or sold to another party for such use, creating uncertainty about the future of the site. He emphasized that General Business zoning allows for a broad range of commercial uses, including an ABC store, which he stated would be undesirable across from a church. Mr. Whitehead concluded by noting that the surrounding properties in the immediate area are residential in character.

Mayor Willis asked the City Attorney if it would be appropriate to ask those in support of Mr. Whitehead's opposition to stand or raise their hand. The City Attorney stated that it is a legislative hearing, so comments from anyone are entertained.

Mr. Michael Hunt, of Gilchrist Street, spoke in opposition to the zoning request. He introduced himself as the Associate Pastor of Northview Harvest Ministry and a former Meter Reader for the City of Laurinburg. Mr. Hunt stated that his primary concern surrounding the rezoning is safety. He explained that the church recently acquired approximately 15 acres adjacent to the subject property, on which they plan to construct a school. He expressed concern that the proposed rezoning could negatively impact the safety of the area, particularly given the proximity to the future school. He referenced a truck stop located east of the church in Robeson County, stating that it has led to issues such as loitering and has placed a strain on law enforcement. Mr. Hunt emphasized that activities commonly associated with truck stops can pose potential risks to the community, especially in close proximity to a school. He concluded by stating that his foremost priority is the safety of children and that he believes there are significant safety concerns associated with the proposed rezoning, particularly during after-hours periods.

Mayor Willis requested that each person in the opposing party raise their hand in the audience for Council to see. The City Attorney stated that Council must give the proponent the opportunity to speak again to rebut the comments made in opposition to the rezoning request.

In favor of the rezoning request

Mr. Niron stated that he wished to respond to the safety concerns raised in the opposition to his request. He clarified that the proposal does not include a truck stop and outlined his intended use of the property, explaining that it would consist of a storage facility and space for hiring certified plumbing and electrical services, along with the sale of related services and supplies. He

stated that he does not believe the proposed use would contribute to crime and noted that alcohol sales are not part of his plan.

Mr. Niron questioned the suggestion that the development would create public safety issues and noted the presence of local law enforcement and national institutions. He stated that, as a Christian and Bible teacher, he would not open a business that he believed would bring crime to the City of Laurinburg. He also expressed his view that his proposal complies with applicable laws and referenced information he found online indicating that businesses may operate within 50 feet of a church. He stated that he believes laws should be followed so long as they do not conflict with religious convictions. He further commented that churches and truck stops commonly operate in proximity in various cities across the country and questioned why this situation should be treated differently. He offered personal reflections on the nature of a church and stated that he believes his request would not be controversial if personal relationships were different with the opposing party.

Mr. Niron stated that, if the rezoning is approved, he intends to sell his property in Orlando and relocate to Laurinburg to oversee the business operations directly. He noted that security measures, including gates and camera monitoring, would be implemented and stated that the proposal previously denied involved a truck stop, which is not part of the current application. He also addressed concerns regarding the church's plans to build a school nearby, stating that he does not believe his proposed business would negatively impact the school and reiterated that he is not proposing any adult-oriented or similar use.

The City Attorney asked Mr. Niron if Council could ask him any questions they may have about other potential uses for the property for general business.

Mayor Willis referenced Mr. Whitehead's earlier statement and asked the City Attorney whether it was accurate to assume that, once rezoned, the property could be used for any permitted use within the applicable zoning district.

The City Attorney clarified that the issue before Council is not whether the property is suitable for a specific store or storage facility, but whether it is appropriate for a General Business zoning designation. He noted that, according to the zoning map presented to Council, there is no General Business zoning located within miles of the subject parcel. The City Attorney further stated that Mr. McInnis had incorporated, by reference, certain findings of the Planning Board, which indicated that the range of uses permitted within a General Business district extends well beyond the specific use currently proposed. The City Attorney offered a hypothetical example, without making assumptions about Mr. Niron's intentions, that, if the property were rezoned

and an offer were later made to purchase it, the owner could choose to sell it, at which point any permitted General Business use could be established.

Mr. Niron responded that he did not purchase the property with the intent of selling it.

The City Attorney stated that property ownership changes over time and that Council must exercise caution when making zoning decisions, as zoning classifications remain with the land. He referenced a prior industrial rezoning matter in which Council based its decision on findings of fact and the range of uses permitted within that district, rather than on a single proposed use. The City Attorney reiterated that the application before Council is a standard rezoning request and not a special use permit. He advised that any questions regarding the scope of permitted uses within the General Business district would be appropriate for discussion with Mr. McInnis or other relevant parties.

Councilmember McLean asked Mr. McInnis if he finds the findings from the request for rezoning to be consistent with the land use policy that the City has. Mr. McInnis confirmed that he does not.

Mayor Willis closed the public hearing.

Councilmember Williamson moved to deny Ordinance No. O-2026-04 rezoning from Residential-20MH to General Business the property located at 18200 Wagram Road and identified as Scotland County Parcel Number 0203060100704 because it does not advance the public health, safety, and welfare, and based upon the following:

The rezoning of Scotland County Land Parcel number 0203060100704 located in the City of Laurinburg's ETJ along Highway 401/Wagram Rd from R-20 to General business is not consistent with an adopted comprehensive plan and any other officially adopted plan that is applicable because:

- 1) Commercial development in the area of the ETJ is not indicated in the adopted land use plan and there is no available infrastructure to support commercial development,
- 2) The Comprehensive Plan 2035 indicates future land uses in this area as Rural Residential / Agricultural, which is for single-family residential, small-scale agriculture and rural recreation uses.

And it is not reasonable because of the following:

- 1) The closest General Business zoning to this parcel is over one mile away.

- 2) Rezoning to General Business will allow uses that are not consistent with existing uses or uses shown on the Future Land Use map.
- 3) General Business zoning should have access to essential infrastructure such as water, sewer, and gas which are not available near this parcel.

Councilmember McLean seconded the motion. The vote was as follows:

Ayes — Adams, Allen, McLean, Rainer, Williamson
Nays — None

7. CITY MANAGER REPORTS

The City Manager reiterated that Item 7(a), to discuss the Sky High Aerospace Expo 2026 Airshow was tabled until the next meeting.

- a. Scotland County Humane Society funding request for Fiscal Year 2026-2027 - Alan Livingston.

The City Manager stated that Mr. Alan Livingston of the Scotland County Humane Society Board of Directors would present a funding request for the Fiscal Year 2026-2027 budget.

Mr. Livingston introduced himself as the Treasurer for the Humane Society Board of Directors, adding that he has held that position for approximately a decade and that he is on the committee that prepared and submitted the budget to the City. He stated that most counties and cities have an in-house shelter system and that Scotland County is unique because the Humane Society operates the animal shelter under a contract with the City and County. He explained that, each year, the City provides \$85,000 and the County provides \$95,000 in funding, totaling to \$180,000, which has been the same for about a decade. Mr. Livingston further explained that the Humane Society's operating expenses for the upcoming fiscal year are projected at about \$300,000, exceeding the City and County funding by \$120,000. He added that the remaining costs to operate are supplemented by fundraising, charitable contributions from the public, and multiple foundation donations throughout the year. Mr. Livingston stated that the Humane Society's request is for the City to renew the contract for the upcoming fiscal year.

Councilmember Adams thanked the Humane Society for its services to the City. Mr. Livingston stated that there is a lot of satisfaction in the work done at the shelter. Councilmember Adams also noted the recent Humane Society fundraiser she participated in. Mayor Willis asked if the shelter's Executive

Director position had been filled. Mr. Livingston stated that there is currently no official Executive Director, adding that Ms. Melinda McMillan, a prior Executive Director, has returned on a part-time basis and that the shelter's administrative duties are shared by three employees that have been with the shelter for a lengthy period of time.

Mayor Willis thanked Mr. Livingston for everything the Humane Society does and reiterated that the shelter arrangement is unique with three different entities involved. He also stated that there will be some changes to Animal Control at both the City and County, unrelated to the Humane Society. He explained that, at a recent meeting with County Commissioner Bo Frizzell and County Manager April Snead, a discussion ensued regarding mutual issues the City and County had been experiencing, leading to a need for a shift in Animal Control. Mr. Livingston noted that the County is allegedly planning to combine Animal Control with landfill operations so they can pick up stray animals while on duty. Mayor Willis stated that the reason Animal Control was restructured under the City Police Department is that, previously, when an Animal Control Officer needed to issue a citation, an officer needed to be located, so consolidating those departments streamlined that operation.

Mayor Willis stated that Animal Control has recently been a controversial subject amongst Council and stated that the goal is to strengthen partnerships with the Humane Society. He added that he assumed Mr. Livingston was going to ask for an increase in funding from the City. Mr. Livingston stated that he understands the hardships the City faces with the budget and noted that he understands that there are many departments that need yearly reviews and increases in funding within the City, so the shelter is grateful for what they receive. He added that if the City could allocate space in the budget for an increase in Humane Society funding, it would be greatly appreciated.

Mayor Willis reiterated that he is appreciative of the City's relationship with the Humane Society and that, while Animal Control may see some changes this year, he hopes to continue a firm partnership with the shelter. Mr. Livingston stated that some of the scrutiny pertains to the capacity limit of the shelter, explaining that it typically remains at full capacity, so they will ask Animal Control Officers to briefly pause on dropping animals off, if possible. He continued that, otherwise, measures must be taken to make room for new animals that are brought in. Mr. Livingston added that staff does try to hold onto animals that are adoptable, or find safe alternatives for them. He concluded that animals that come in that are clearly not adoptable, such as aggressive or severely ill animals, are humanely euthanized.

- b. Consider Releases, Discoveries, and Adjustments to Tax Levy.

The City Manager explained that there were minor adjustments to the Tax Levy that need approval from Council, and that most of them pertain to ownership changes that took place when the levy was issued on January 1st. He stated that these ownership changes occurred through foreclosures when the City took ownership of the properties and that some changes resulted from discoveries made throughout the year.

Mayor Pro Tem Rainer moved to approve the Releases, Discoveries, and Adjustments to Tax Levy, as presented. Councilmember Allen seconded the motion. The vote was unanimous.

c. Authorize Tax Collector to Advertise Tax Liens the Week of March 9-13, 2026.

The City Manager stated that the 2025 Tax Liens would be advertised in the Laurinburg Exchange, with a total uncollected tax of approximately \$285,000 to-date.

Councilmember Adams stated that, in the report provided to Council, she saw that the percentage of tax collection for 2025 was 89% and asked if that percentage should be higher. The City Manager explained that, historically, the City's collection rate is good and that when the audit was presented, the collection rate was not an issue but the budgeting rate was an issue. He added that this advertisement is the last encouragement for people to pay the taxes they have failed to pay.

Mayor Pro Tem Rainer asked to clarify that Council had previously added the stipulation that if taxes are not paid within an allotted timeframe that there would be a judgment enforced. The City Manager confirmed this, stating that the City previously followed suit with the County tax collection process and that the policy included a start time after a citizen was three years delinquent on paying their taxes. He noted that after that delinquency period, the property tax foreclosure process would begin. He further explained that some citizens discovered that if they kept up to speed with their County taxes and did not pay their City taxes, then the foreclosure process would never start. The City Manager concluded that, because of this issue, the City began handling the process separately with Zacchaeus Legal Services if the citizen was delinquent on City taxes. He clarified that the issue would be addressed jointly with the County if the citizen was delinquent on both taxes.

Mayor Pro Tem Rainer moved to approve the authorization of the Tax Collector to Advertise Tax Liens the Week of March 9-13, 2026, as presented. Councilmember Williamson seconded the motion. The vote was unanimous.

- d. Consider Resolution No. R-2026-02 to request the naming of a bridge for former Police Chief Robert Lee Malloy.

The City Manager explained that Resolution No. R-2026-02 is required to move forward with the North Carolina Department of Transportation application to rename a bridge for former Police Chief Robert Lee Malloy. He stated that fundraisers have assisted with financing the application and noted that the application details Mr. Malloy's military service with the U.S. Army, his dedicated law enforcement service of about 37 years, and his service with the City of Laurinburg as Police Chief for approximately 20 years. The City Manager added that current Police Chief Johnson has been communicating with Mr. Malloy's family throughout the lengthy process. He concluded that there was an initial \$2,000 application fee, which Representative Pierce greatly assisted with, and added that the application resolution must come before Council for approval before the process can move forward.

Mayor Pro Tem Rainer moved to approve Resolution No. R-2026-02 to request the naming of a bridge for former Police Chief Robert Lee Malloy, as presented. Councilmember Williamson seconded the motion.

Mayor Willis provided the opportunity for public input. No one from the public provided input.

The vote was as follows:

Ayes - Adams, Allen, McLean, Rainer, Williamson
Nays - None

The motion to approve Resolution R-2026-02 was passed unanimously.

(Copy of Resolution No. R-2026-02 is on file in the clerk's office)

- e. Discussion of the North Carolina Eastern Municipal Power Agency wholesale rate change and its potential impact on the city's electric rates.

The City Manager stated that in front of Council is the resolution and the 30-day notice of the North Carolina Eastern Municipal Power Agency (NCEMPA), of which the City of Laurinburg is a member among 32 other regional municipalities, wholesale power rate increase. He provided a brief background of the rate changes to come, explaining that there are incremental wholesale power costs that are passed along and that these rates are discussed at both

NCEMPA's monthly Rate Committee meetings and a monthly Board of Commissioners meeting in Wilson, NC with the City of Laurinburg in attendance. The City Manager explained that all electric rate changes are driven by Duke Energy and that the City purchases power at the wholesale rate from Duke Energy, which is much lower than the retail rate.

The City Manager reported that Duke Energy is continuing implementation of its carbon-neutral plan, which was introduced in 2021. He stated that the company is facing pressure at the state level to meet its established goals of achieving 70% carbon neutrality by 2030 and 100% carbon neutrality by 2050. He explained that Duke Energy is undertaking various infrastructure improvements to support this transition and to eliminate coal from its operations, including investments in nuclear generation, wind, solar, and battery storage. The City Manager noted that these significant capital investments directly affect electric costs for consumers and that Duke Energy is operating under an accelerated timeline to complete these changes.

The City Manager further explained that Duke Energy has proposed retail rate increases over the next four years, including a 3.3% increase in 2026, a 10.9% increase in 2027, and a 4.1% increase in 2028, representing an approximate cumulative retail rate increase of 18% during that period. He clarified that these increases apply to retail customers and will not directly impact the City of Laurinburg's customers, as the City purchases power at wholesale rates. He stated that the City would experience a lower cumulative wholesale rate adjustment, which would require justification through NCEMPA for ElectricCities members such as the City of Laurinburg.

The City Manager stated that, effective April 1st, the City's cost of wholesale power would increase by 4.5% if Council elects to pass along incremental wholesale rate increases rather than defer them for a larger consolidated increase at a later date. He referenced the recent audit presentation, noting that performance indicators related to the Electric Fund were addressed by Council through actions taken on the current Consent Agenda. He explained that a portion of fund balance and available cash had been utilized within the Electric Fund and advised that if the wholesale rate increase is not incorporated into the FY 2026-2027 audit cycle, it is anticipated that this matter would be reflected again as a performance indicator.

The City Manager reiterated that, should Council choose to align with Duke Energy's planned wholesale rate schedule, the initial 4.5% increase would take effect April 1, 2026. He emphasized that wholesale power costs represent the largest expenditure within the City's Electric Fund. He further advised that any adjustment to the City's electric rates requires a process that begins with calling for a public hearing to be held at the next meeting on

March 17th. He then noted that, once the increase is approved at the public hearing, the rate increase would take effect in April to coincide with Duke Energy's wholesale power rate increase.

Councilmember Adams referenced the rate increases reflected in the report provided to Council, noting projected increases of 4.5% in 2026, 5.5% in 2026, and 4.5% in 2027, and inquired as to what the City's initial rate increase would need to be. The City Manager responded that, based on the wholesale rate schedule provided by Duke Energy, the City's initial increase would be 4.5% effective April 1, 2026. He clarified that the previously discussed planned retail rate increases over the next four years are not the same as the wholesale rate increases the City will incur. Councilmember Adams stated that any wholesale rate increase would need to be passed along to the City's electric customers. The City Manager confirmed this and advised that the recommendation is for the City to remain aligned with the 4.5% wholesale increase and proceed with seeking Council approval accordingly.

The City Manager explained that there may be significant pressure among the Governor, members of the General Assembly, Duke Energy, and the North Carolina Utilities Commission regarding the proposed rate increases and efforts to keep them as low as possible. He noted that the State's continued push to meet established carbon-neutral goals is a primary factor contributing to the infrastructure investments driving these cost increases.

Councilmember Williamson asked the City Manager to confirm whether the City had recently approved a rate adjustment. The City Manager confirmed that a third-party rate study was conducted in April 2024, which evaluated costs and capital needs, resulting in a prior rate adjustment. He noted that the currently proposed increase would be limited to 4.5%, with the average residential electric bill estimated at approximately \$140 per month. Councilmember Williamson then asked whether the City Manager would be comfortable with no increase at this time. The City Manager explained that in prior years, wholesale rate increases had accumulated into one large increase, ultimately requiring the City to implement incremental adjustments to avoid that and still remain aligned with industry standards. He further stated that the proposed 4.5% adjustment would not alter City operations but would simply reflect the increased cost of wholesale power effective April 1st. He emphasized that no action would take effect immediately, and that the purpose of tonight's discussion was to initiate the public hearing process, should Council choose to move forward with considering the increase.

Mayor Willis read aloud the recommendation to set a public hearing for March 17, 2026, at 6:00 p.m. to consider amendments to the City's Electric Rate Schedule. The City Manager stated that the public hearing would need to be

properly advertised and scheduled for that date. He further noted that approximately 32 other municipalities in the region would be advertising public hearings for similar rate considerations. He added that ElectriCities assists the City with coordinating and facilitating this process.

Councilmember Williamson moved to set a Public Hearing at the Regular City Council meeting on March 17th, 2026 at 6:00 p.m. to consider amendments to the City's Electric Rates Schedule. Councilmember Allen seconded the motion. The vote was unanimous.

f. McDuffie Square Stage Project Update.

The City Manager provided an update on the rail car stage project in McDuffie Square. He explained that the rail car is located on its tracks and has been renovated, adding that the City had to go out to bid for the separate stage structure, with an anticipated reveal at the April 17th and 18th Suds and Swine event. He noted that the lowest responsible bidder was PCI General Contractors, a local company, and that bids were awarded on February 1st for a 90-day estimated construction timeline. The City Manager added that all the footers had been poured, engineers had begun laying the concrete blocks, the stage would be concrete and have a ramp on one side and stairs on the other side, and that the stage would be covered by a steel roof structure. He commended Engineer Jim Blackwell and PCI's Andy Foshay, stating that they have done a wonderful job thus far and are a part of the community, so they share a mutual dedication to the timeline goal. He noted that, if weather permits, the project should be completed on time, but if not, the stage will stand with no cover for the first event. The City Manager also added that most community stages have a naming sponsor, so he reached out to two community partners and that decision will come back to Council before finalizing the stage name. He explained that it would help offset some of the cost that the City incurred during construction of the stage.

8. APPOINTMENTS

Mayor Willis stated that no appointments were to be made. He added that he and the City Manager recently met with Amanda John of the Housing Authority and recognized her for a job well done.

9. COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Mayor Willis reiterated the recent joint meeting between the City and County, noting that County Commissioner Bo Frizzell and County Manager April Snead were in attendance to meet with him and the City Manager. He stated that the discussion was productive and included topics such as potential fueling facility projects. Mayor Willis added that the meeting served as a beneficial exercise in maintaining open communication and collaboration between the City and County.

Councilmember Adams expressed her appreciation for the police officer swearing in ceremony being conducted during the regular meeting, allowing a broader audience to witness the occasion, and stated that she hopes future ceremonies will be held in the same setting. Mayor Willis concurred and again commended the officers who were recognized. Police Chief Johnson, who was present in the audience, also offered brief remarks.

Councilmember Adams provided an update regarding the airport, stating that the industrial park associated with the airport is the second largest in the state, behind the Research Triangle.

Mayor Pro Tem Rainer stated that the ribbon-cutting ceremony for the all-inclusive, handicap-accessible playground at the I.E. Johnson Community Center was a well-attended and successful event, with many families and children present.

Councilmember Adams reminded Council of the upcoming LRCOG Advance scheduled for February 27th.

10. CLOSED SESSION (Economic Development)

Councilmember Adams moved to enter closed session at 7:29 p.m. pursuant to NCGS 143318.11(a)(4) to discuss economic development. Mayor Pro Tem Rainer seconded the motion. The vote was unanimous.

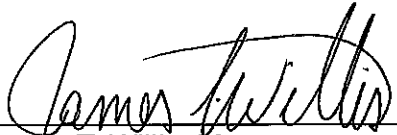
Councilmember Adams moved to adjourn closed session and return to the open meeting. Mayor Pro Tem Rainer seconded the motion. The vote was unanimous.

Closed Session was adjourned at 8:12 p.m.

11. ADJOURNMENT

Motion was made by Councilmember Williamson, seconded by Councilmember Adams, and unanimously carried to adjourn the meeting.

The meeting was adjourned at 8:12 p.m.


James T. Willis, Mayor


Amanda K. Futrell, City Clerk