

CONCORD CITY COUNCIL  
ANNUAL PLANNING SESSION  
JANUARY 31, 2025

A special meeting of the City Council for the City of Concord, North Carolina, was held in the 3<sup>rd</sup> floor City Hall Council Chambers located at 35 Cabarrus Ave, West, on January 31, 2025 beginning at 8:00 a.m. with Mayor William C. Dusch presiding.

Council members were present as follows:

**Members Present:**

Mayor Pro-Tem Andy Langford  
Council Member Andy Langford  
Council Member Betty M. Stocks  
Council Member Terry L. Crawford  
Council Member Jennifer Hubbard  
Council Member John A. Sweat, Jr.

**Members Absent:**

Council Member Lori A. Clay  
Council Member JC McKenzie

**Others Present:**

City Manager, Lloyd Wm. Payne, Jr.  
Assistant City Manager, Joshua Smith  
Assistant City Manager, LeDerick Blackburn  
Assistant City Manager, Marcella Beam  
City Attorney, Valerie Kolczynski  
City Clerk, Kim J. Deason  
Department Directors

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Mayor Dusch called the meeting to order and welcomed everyone. The following was discussed:

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**Transit – Service Provider Model Changes**

The Transit Director, LJ Weslowski, stated the current 10-year service contract for Rider Transit will expire on June 30, 2026. He stated, with the upcoming expiration of the contract, this will provide an opportunity to reexamine the service model provider. Changing models would allow almost all of the non-union/non-driving positions to be brought in-house instead of third-party. Staff will need to put out a new Request for Proposals (RFP) in the summer or fall of this year.

He explained the current staffing model and the staffing challenges.

Mayor Pro-Tem Langford stated this would be similar to how Solid Waste was brought in house. The City Manager stated that was correct.

Mayor Dusch asked if the employee cost included overhead from the contractor. The Transit Director stated it did. He stated should the services be brought in-house; he would work with HR to offer compensation that is comparable to the driver's current salaries.

Council Member Crawford asked if this change would take place in FY27. The Transit Director stated that staff would like to renew the current service provider contract for a period of three-years to allow staff time to research and evaluate the proposal. It was the consensus of the Council to move forward with a three-year extension on

the current service provider contract and to allow staff to research and evaluate the option of bringing Rider Transit in-house.

### **Concord-Padgett Regional Airport – Commercial Terminal Expansion**

The Aviation Director, Dirk Vanderleest, stated Concord-Padgett Regional Airport (CPRA) is approaching pre-pandemic levels of operations and passengers and is nearing the capacity of the existing commercial airline terminal facility that was constructed in 2016. The airport has grown from one airline with 18 weekly departures and five destinations served to two airlines with up to 41 weekly departures to 11 destinations. The published flight schedule for January 2025 shows a 150% increase compared to January 2024, with almost 160 scheduled airline flight departures.

He stated there are only two aircraft gates, which limits the number of flights and creates serious issues when delays occur if three or more aircraft are on the ground at the same time. The TSA passenger screening area is only large enough to have two passenger screening lanes and no room for a dedicated pre-check screening lane that is available at many airports. Ticket counter space is also limited to two airlines. Rental Car space is also severely limited with room for just two counters, and not enough parking spaces for reservation cars and drop-offs. Passengers looking for food and other amenities have limited options, as the existing building only provides one concession space in the gate area and vending machines in the public area. The terminal roadway is currently designed as one-way in and out with round-a-bout severely limiting the vehicle throughput in front of the terminal and backing up traffic substantially, especially if there is more than one flight on the ground at the same time. The parking deck has a capacity of 670 vehicles and was often over capacity prior to the pandemic, and again over the recent holidays, even with parking rate increases to \$14 per day.

He presented the three following options and the pros and cons of each option:

- No action
  - Would significantly constrain existing airline flight schedule operations and limit or prevent further airline expansion.
  - The current gate hold room for passengers can be expected to reach its capacity regularly. When this occurs, TSA will suspend passenger screening, causing additional flight delays.
- Develop a new commercial airline facility on the east side of the airport.
  - 2018 Airport Master Plan depicted expansion for a separate Commercial Airline Terminal on the east side, south of Ivey Cline Rd.
  - Critical infrastructure requirements.
  - Limited funding from FAA and NCDOT.
  - NCDOT interchange proposed.
  - The Airport Master Plan update that is anticipated to start in 2025 will explore this option in more detail as part of a 20-year development plan.
- Expand to fully utilize available space near the existing commercial terminal
  - Existing CST has the capability to expand an additional 16,000 square feet.
  - Phase 1, Air Carrier Apron Expansion Design is already underway.
  - Grant funding is now available through BIL-ATP Program. Expansion is already shown on the Airport Layout Plan and currently approved Airport Master Plan.

Staff's recommendation is for the Aviation Department to be authorized to begin the planning process with a consultant to conduct an analysis, design, and funding plan for the commercial airline terminal expansion at Concord-Padgett Regional Airport.

Council Member Sweat asked if the federal government was currently funding the TSA at the airport. The Aviation Director stated the City did receive grant funding for the TSA but that was discontinued and will not be reinstated. He explained how the Airport is maintain the TSA.

It was the consensus of the Council to accept staff's recommendation.

### **Police – Baker 5 District (downtown)**

The Police Chief, Jimmy Hughes, explained the Center City is part of the Baker District and works business hours Monday-Friday. He stated that with the recently established social district and completion of streetscape, growth has increased.

He stated he is requesting Council's support for four (4) additional police officers for the downtown Center City area. The desired outcome is the additional officers would provide 24/7 coverage with the current Center City officer serving as the Police Department's liaison to help coordinate all communication of issues and address concerns.

It was the consensus of the Council to support staff's recommendation.

### **Basic Law Enforcement Training**

The Police Chief stated that CPD currently relies on Rowan Cabarrus Community College (RCCC) to provide Basic Law Enforcement Training (BLET). Due to recent State changes, beginning in 2025 BLET is expanding to 892 hours which will take approximately 14 months from hire status to solo status for one officer. With this change, RCCC is decreasing their academies from three to two per year. For CPD, this means that student allowance is projected to drop from 15 recruits per session to fewer than eight. In addition, the Highway Patrol will no longer be running trooper class in Raleigh as they have started training at local community colleges.

The Police Chief stated with this change, the CPD would like to conduct in-house trainings in partnership with RCCC training with the first class launching in FY27.

He explained that an in-house academy would allow for year-round recruit intake and training, reduce staffing delays caused by limited RCCC slots and extended timelines, ensure recruit readiness aligns with Concord specific timelines, and proactively manage attrition through retirements and separations.

Council Member Stocks asked if this training would be for Concord officers only or would it be open to other jurisdictions and agencies. The Police Chief stated, at first, it would just be for Concord officers but may expand at a later date to other jurisdictions.

Questions were asked regarding funding for this training. The Police Chief stated staff would look for additional funding sources if Council is in agreement with the proposed.

It was the consensus of the Council to accept staff's recommendation.

### **Parks and Recreation - ClearWater Arts Campus**

The Parks and Recreation Deputy Director, Jay Tryon, briefly explained the timeline of establishing the Campus. He provided an update on the Ceramic Center programs and the number of reservation events, and CDDC events.

He provided three future operations options:

1. Original Plan-ClearWater Facility lease to nonprofit - Lease the Art Center Studio building to a nonprofit organization for operations, but the City of Concord will maintain ownership. The Ceramic Center was not identified in the original plan for leasing to nonprofit, but Council could consider leasing both facilities to a nonprofit.
2. City Operations – ClearWater and Ceramic Center - The City would continue to evaluate all operations to run as a facility with traditional hours of operations. The use of CDBG/HUD funds could be used to continue renovations to the campus.
3. Remove City ownership and eliminate annual maintenance – If the City does not maintain ownership of the facilities, CDBG/HUD funding would need to be paid back.

Staff's recommendation is to add staff based on coverage, workload, annual special

events and programming; evaluate operations of the Ceramic Center to run as a separate facility with traditional hours of operations and or memberships; continue with current programming and rental opportunities; continue with response to citizen requests for programs, workshops and events including open studio time; and creation of additional opportunities for community engagement/involvement.

It was the consensus of the Council to support option 2.

### **Partner for Parks**

The Parks and Recreation Deputy Director explained, since its establishment in 1996, Partners for Parks has been an integral advocate for promoting and enhancing parks, greenways, open spaces, and recreation. They provide a facility to raise funds and offering grant assistance to area organizations and also facilitate community outreach and education to bolster greenways, parks, playgrounds, recreation centers, and natural areas. He stated Partners for Parks is a 100% volunteer organization.

He stated the City can utilize the partnership with Partners for Parks as a 501(c)(3) if needed for future grants that may require support or application on behalf of a nonprofit. Parks and Recreation can utilize this as the foundation to allow donations for scholarships, amenities, foundations, or even future expansions.

Parks and Recreation staff would like to start one "general restricted fund" for the City of Concord Parks and Recreation Department which would support operations and projects in the Department based on Council direction, grants, or partnership collaborations. Staff could also expand to specific funds for a project if needed or interested.

Council Member Hubbard asked if there is a way to funnel funds strictly to a project per a request. The Parks and Recreation Deputy Directors stated yes; if someone wants to donate strictly to a certain project, 100% of the funds donated can be restricted to that project only.

It was the consensus of the Council to accept staff's recommendation.

### **Memorial Bench Program**

The Parks and Recreation Deputy Director stated staff would like to implement a Memorial Bench Program. This program would be similar to the Memorial Tree Program. He explained the program will allow residents the ability to purchase a bench in honor of a friend, family member, or local business. The program will provide a clear process and guidelines for our department to follow. Once the process has been developed, staff will seek Council approval to implement. Staff will work with donors to determine potential installation locations within parks or on greenways based on plans for future bench locations and will work with donors on plaque language.

Mayor Pro-Tem Langford asked what happens when a bench that has been purchased deteriorates and has to be removed. The Parks and Recreation Deputy Director stated that there would be language in the agreement that clearly states the purchase is for the life of the bench.

It was the consensus to accept staff's recommendation.

### **Facility Reservation Process**

The Parks and Recreation Director, Sheila Lowry, explained the current reservation process and what fees are waived. She presented information regarding how other municipalities offer facility reservations for charitable organizations.

She stated staff is recommending the following:

- Allow 501(c)(3) nonprofits with Cabarrus County address on IRS verification a 50% discount; deposit required per reservation.
- Nonprofits outside of Cabarrus County fees not waived; deposit required.
- Remove 2 reservations at a time restriction.
- Implement December 2025 for calendar year 2026.

Mayor Pro-Tem Langford stated there may be some people that will be distressed about this change but feels the City is taking responsibility of our facilities.

The Parks and Recreation Director stated if Council is in agreement with the recommendation, staff would incorporate a 50% fee until total implementation of the changes.

It was the consensus of the Council to accept staff's recommendations.

### **Transportation – Bruton Smith Blvd/Weddington Rd improvements**

The Transportation Director, Phillip Graham, and the Transportation Deputy Director, Tony Tagliaferri, presented the following proposed improvements:

- Bruton Smith Blvd at Weddington Rd – Similar as treatment at Christenbury Pkwy at Lidl/Kohls driveways.
- Bruton Smith Blvd at Gateway Lane – Support NCDOT funded traffic signal and offset left turns.
- Weddington Rd at Gateway Lane (S) – Intersection treatments to improve operations and accommodate redirected movements.
- Weddington Rd at Gateway Lane (N) – Install traffic signal and upgraded pedestrian facilities.

The Transportation Director stated the estimated construction costs for Concord is \$500,000 which will be taken from the Transportation Project Fund Unallocated Balance.

### **Emergency Communications/Emergency Management – Space needs**

The Communications Director, Bethany Ledwell, stated staff is proposing a single story, 9,000 square foot facility to be located behind Fire Station #3 and close to the Fire Station #3 radio tower. By locating in that area, the facility will be able to utilize existing infrastructure.

She explained how the calls for service has increased from 81,465 in 2002 to 163,597 in 2024. Communications Department needs a larger space with additional dispatch consoles, administrative offices, a conference room, a training room, a quiet room, and a bunk room.

Emergency Management needs a facility that emergency operations equipment can be housed and ready for immediate activation, breakout rooms/flex space, and a training room.

This facility will also be a centralized location for the Fire Marshall Office that is in the Emergency Communications current location.

She summarized the project cost. The estimated total cost is \$8,389,948. She stated the project would be financed through either Limited Obligation Bonds or Installment Financing.

It was the consensus of the Council to move forward staff's recommendation to construct a facility to manage current and future growth for Emergency Communications services and joint response during emergency operations.

### **Electric – Cost of Service Study continued implementation – 3<sup>rd</sup> year**

The Electric Systems Director, Alex Burris, stated power supply costs have remained stable. The FY2026 suggested rates continue to work toward fair and adequate revenue recovery and are targeted to be no rate increase, with minor revenue neutral changes, resulting in no changes for the typical customer bill.

He explained the components of a monthly customer charge; recover minimal portion of distribution system, meter cost, meter reading, billing, and customer service. He also

presented the monthly customer charge and the projected Residential Service (RS) Rates.

It was the consensus of the Council to approve a 0% base rate increase for FY26; to set the Purchase Power Adjustment (PPA) to zero at beginning of FY2026 and review quarterly and update as needed; to continue to move the cost of service monthly customer charges slowly over 3-5 years; continue slow progression to balance fixed verses variable cost recovery in rates; and continue to monitor the financial health of the Utility to guide future rates.

### **Fleet – Fleet Electrification**

The Fleet Services Director, Douglas Summer, stated the Fleet Services Department has developed a plan to begin electrifying a portion of its light-duty vehicle fleet over the next 5 years.

He stated currently the City's fleet includes 147 light-duty vehicles. Fleet Services has a target electrification rate of 30-40%, which equates to approximately 44-59 vehicles that would be replaced with electric vehicles (EVs) or Hybrids over the next 5 years. He stated this process will be carried out in phases with a focus on replacing vehicles that are primarily used for local trips and commuting.

He explained the following phases:

- Year 1: (Infrastructure Planning & Initial Installations): FY25-26
  - Install 5-7 charging stations at key locations.
  - Assess existing electrical infrastructure and identify required upgrades.
- Year 2: FY26-27
  - Install an additional 5-7 charging stations.
  - Begin considering "Level 2" charging stations for overnight charging.
  - Purchase 5-10 EVs/Hybrids /ratio of 70% EVs to 30% Hybrid.
- Year 3-4: (Expansion Phase): FY27-28
  - Install 8-10 charging stations.
  - Start implementing "smart" charging systems.
- Year 5: FY28-29
  - Install 5-7 charging stations.
  - Purchase of 10-15 EVs/Hybrids.
  - Continue to expand the installation of charging stations.
  - Install two (2) Rapid Charging Stations at BOC and Fire Station 9 in case a quick boost is needed.

It was the consensus of the Council to support the five-year plan to transition 30-40% of the City's light-duty fleet to EVs or Hybrids.

### **Federal Legislative Priorities – Jennifer Imo (The Ferguson Group)**

Jennifer Imo presented the Federal legislative priorities for the upcoming fiscal year.

### **State Legislative Priorities – Sa'Metria Jones (NCLM)**

Sa'Metria Jones presented the State legislative priorities for the upcoming fiscal year.

### **Financial Analysis and FY26 Budget**

#### **Enterprise Resource Planning (ERP) update**

The Finance Director, Jessica Jones, stated the ERP software is a system that helps manage and automate core business processes. The City currently uses several different software providers to accomplish daily business process for Finance and HR related functions. The City contracted with GFOA for consulting services related to selecting a new ERP system.

She updated the Mayor and Council on the status of the project. She also provided cost estimates. Project costs are made up of two components; upfront costs and annual fees. Proposals had a wide range of potential project costs; upfront costs

ranged from \$450,000 to \$7.8 million and annual fees ranged from \$1.4 million to \$4.2 million.

### **GO Bond update**

The Finance Director presented the GO Bond projects financial summary. She stated total bond funding is \$65,682,518; total bond projects is \$65,492,802 (projects with confirmed bids - \$18,035,422 and projects with estimates only - \$47,457,380).

She ensured the Council the Parks and Recreation Director is monitoring each bid to ensure the bid amount is within the bond amount.

### **Comprehensive financial update for FY24/25 and FY25/26 projections**

The Finance Director summarized the local economic conditions including unemployment rate, new construction of single family homes, residential home sales, and average home sales price. She stated a 2.82% growth is projected in the Cabarrus County property tax collection for FY26, and a 3% growth is projected for FY27.

### **Fund Balance**

The Finance Director stated the City has a fund balance reserve policy that establishes a minimum unassigned general fund balance between 30% and 35% of general fund expenditures. The policy also indicates that we will compare the City's unassigned general fund balance to the average general fund balance numbers for electric cities of similar size. Current data from the Local Government Commission (LGC) is 51.61% is the median for cities of similar size with electric systems.

### **General Fund**

Total general fund operating revenues for FY25 continue to grow, but expenditures continue to outpace revenues. Ad Valorem, or property tax, is projected to increase 2.82% in FY26 and projected to increase 3% for FY27.

Electric Sales Tax collection in FY25 is estimated at \$6.1 million. In FY24, there was a 10% growth in the beer and wine distribution. FY25 collections are estimated at \$539,205.

The Powell Bill collection had a 12% increase in FY24. Development fees collected in FY24 was \$224,210. FY25 estimates are lower at \$200,000.

The dedicated penny allocation funding accounts for \$4.4 million for Transportation, \$1.8 million for Parks and Recreation (greenways) and \$1.8 million for Affordable Housing. Council agreed to keep the allocation as is.

She explained the Debt Service Fund is used to accumulate funds to cover general fund debt service and can only be used for debt service once transferred. In addition to covering GO Bonds debt service, it could be used to cover other general fund related debt service.

Upcoming/Potential Debt Issues include:

- Communications/EOC Building.
  - Projecting debt service to begin in FY27.
  - Installment financing or LOBS.
  - Term options – 10, 15, or 20 years.
- Fire Station 13
  - Design was funded in FY25 CIP.
  - Construction is in FY26 CIP.
  - Installment financing or LOBS.

### **Incentive Grants**

- Eli Lilly – projected to begin in FY27 – estimated payment due in FY27 \$1,589,000.

- Concord Master Venture/LMG – estimated payment due in FY26 - \$225,558 from General Fund and \$85,927 from MSD fund; FY27 payment - \$225,558 from General Fund and \$85,927 from MSD fund.
- Other incentive grant payments – in FY26 - \$297,535 and in FY27 - \$563,212.

Enterprise Funds

- Electric – as of December 31, 2024, rate revenue was at 50% of budget and as of November 30, 2024 purchased power was at 30% of budget.
- Water – as of December 31, 2024 rate revenue was at 50% of budget and expenses were at 48% of budget.
- Wastewater – as of December 31, 2024 rate revenue was at 50% of budget and expenses were at 45% of budget.
- Stormwater – as of December 31, 2024 rate revenue was at 48% of budget and expenses were at 47% of budget.
- Electric Capital Projects Reserve is \$14.2 million and Rate Stabilization Reserve is \$15 million.
- System Development Fees – Implemented updated system development fees in FY24 after study completed by Raftelis (study must be completed every 5 years). Water has \$851,000 in unallocated system development fees as of December 31, 2024. Sewer has \$1.7 million in unallocated system development fees as of December 31, 2024. These funds must be spent as described in the NC General Statutes.

Aviation – FY2023

Operations (takeoffs and landings) decreased 9.6%. Total enplanements were flat when compared to FY23 and parking revenue decreased 7.96%.

Transit

Fixed route ridership increased 18.26% for calendar year 2024. ADA Paratransit ridership increased 8.34% for calendar year 2024. The total FY25 budget is \$8.6 million.

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Following staff presentations, the City Manager stated he will work with the Budget team and the Assistant City Manager’s to balance the proposed budget. He stated a budget presentation will be provided to the Council following the April 8<sup>th</sup> Work Session.

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With there being no further business to discuss, a motion was made by Mayor Pro-Tem Langford and seconded by Council Member Crawford to adjourn the meeting—the vote: all aye.

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William C. Dusch, Mayor

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Kim J. Deason, City Clerk