The Lincolnton City Council met in Regular Session on Thursday, June 25, 2026 at 6:30 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton, N.C. 28092. The following members were present and accounted for:

DEMENY JOHNSON TIPTON JETTON

Mayor Hatley called the meeting to order, asking everyone to stand for a moment of silence, followed by the Pledge of Allegiance. The Mayor noted several additions to the regular agenda: Item 3d was revised to reflect a budget amendment to the annual budget ordinance (to be presented by Finance Director Pamela McBryde); Item 4c was added as a resolution to approve a street name for the new public services facility (to be presented by Assistant City Manager Scott Clark); and a closed session was added.

Motion to approve the regular agenda as amended was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.

Mayor Ed Hatley briefly highlighted several proclamations included in the consent agenda: Parks and Recreation Month, the 250th Anniversary of American Independence, and additional items described as self-explanatory.

Motion to approve the consent agenda as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.

CZ-6-2026
Application For Conditional Rezoning From CFA Lincolnton

Planning Director Jean Derby presented the conditional rezoning request for the Chick-fil-A located at 1904 East Main Street. She explained that the property is currently zoned Planned Business (PB) under a conditional use tied to the original site plan. Because the applicant wishes to make physical changes to the site, the ordinance requires that the matter return to Council as a Planned Business Conditional District (PB-CD).

The proposed changes include restructuring the drive-thru from a single-lane entry to a dual-lane configuration from entry to exit, reconfiguring the parking lot with angled spaces to increase aisle width from 28 to 35.9 feet, and adding a vacant adjacent lot (Parcel ID: 87361) solely to address impervious surface calculations. The addition of the lot will reduce the site's impervious area from 67.6% to approximately 40%, well below the 70% maximum permitted.

Derby noted that the reconfigured parking will reduce total spaces from 52 to 48, with 2 additional pull-through spaces for customers awaiting mobile orders. NCDOT had requested the removal of one parking space near the entrance for safety purposes. Conditions of approval include the submission of an as-built landscaping plan, recordation of the lot recombination prior to permit issuance, compliance with all applicable regulations, and correction of a drainage issue at the northwest corner of the curb where water pools improperly.

Derby confirmed that the Planning Board voted unanimously to recommend approval, and that the request is consistent with the City's Land Use Plan, which supports the retention and modernization of existing businesses. Representatives of the applicant were present but did not speak.

No members of the public signed up to speak.

Motion to close the public hearing was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.

Motion to approve the conditional rezoning request as presented and recommended by the Planning Board, including the statement of consistency and reasonableness, was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.

Proposed Implementation Of Updated Water And Sewer System Development Fees

Assistant City Manager Scott Clark introduced the item, noting that the updated System Development Fees (SDFs) were previously presented at the April 17th budget workshop by the City's consultant, who was also available virtually for this hearing. The draft report was posted on the City's website for 46 days, exceeding the statutory 45-day public comment period, and no public comments were received during that time.

One citizen, Alan, addressed the Council in support of the fee update, stating his view that the burden of infrastructure costs associated with new development should fall on developers rather than existing residents and taxpayers, and that developers should not receive a "free ride" given the financial benefits they derive from growth in the community.

Motion to close the public hearing was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.

Motion to approve the proposed updated Water and Sewer System Development Fees as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.

Approval of the
Proposed 2026-2027 Fiscal Year Budget

City Manager Ritchie Haynes noted that the proposed budget had not changed since its presentation at the prior month's meeting and invited public comment.

Citizen Alan addressed the Council, commending City Manager Haynes for navigating the financial pressures imposed by the County. He also raised concerns about the appearance of the county courthouse flagpoles, encouraged fiscal discipline across all units of government, and noted the value of shared services between the city and county, citing a proposed $6.5 million county shooting range as an example of potential duplication with existing city facilities.

Council Member Roby Jetton responded to the flagpole concern, noting that he had received a call from the County that day indicating that three new flag poles would be installed on the west side of the courthouse, with a larger pole on the east side.

No further public comment was offered. Council Member Kevin Demeny made a motion to close the public hearing. Motion carried unanimously with members voting 4-0 in favor of the motion. Following the close of the public hearing, Council took three separate votes as required.

> **Motion to adopt the 2026-2027 Budget Ordinance was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**
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> **Council Member Jill Tipton made a motion to adopt the 2026-2027 Schedule of Fees. The motion carried unanimously with members voting 4-0 in favor of the motion.**
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> **Motion to adopt the 2026-2027 Salary Schedule and Schedule of Budgeted Positions was made by Council Member Kevin Demeny. Members voted 4-0 in favor of the motion.**

Consideration Of 3-Year Contract
With iWorQ For Upgrading Permitting Software

Planning Director Jean Derby presented a request for approval of a three-year contract with iWorQ to upgrade the City's existing permitting software. Derby explained that the planning department recently lost its part-time employee and is exploring technology as a means to fill that gap. While the City already uses the basic iWorQ platform, the upgraded plan would introduce online permit applications, online credit card payments, automated parcel updates via a REST service integration, and enhanced data-entry automation that reduces manual processing time.

The initial setup fee is $2,000, with an annual cost of $11,875—substantially less than the cost of a part-time employee. Derby noted that the City has been using iWorQ since 2018 and that the software is familiar to staff.

Council Member Kevin Demeny raised the question of whether additional staffing would be needed within the three-year contract period, expressing a broader concern about distinguishing needs from wants given the City's anticipated budget challenges. Both Ms. Derby and City Manager Ritchie Haynes affirmed that this contract addresses a genuine operational need. Mr. Haynes noted that no staff additions are planned for the coming year and that the planning department—still operating with three full-time employees despite the City having doubled in population since 1991—has absorbed a significantly increased workload without added personnel.

City Manager Haynes added that a similar technology-for-efficiency approach had already been implemented successfully in Parks and Recreation, and that allowing citizens to complete transactions online reduces interruptions to staff and improves overall service delivery.

> **Motion to approve the three-year contract with iWorQ for the upgraded permitting software was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Request Approval Of Personnel Policy
Related To Lincolnton Police Department Restructured Work Hours

Human Resources Director Tanya Osborne presented revisions to Articles 5 and 6 of the City's Personnel Policy to reflect the accrual and work-week changes that accompanied the Police Department's restructured schedule, which had been operating as a pilot program and was formalized through the consent agenda at this same meeting. Osborne noted the program has been well received by officers, improves work-life balance, and has meaningfully reduced overtime expenditures—describing it as "a win-win."

> **Motion to approve the personnel policy revisions as presented was made by Council Member Roby Jetton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

BA-06-26
Budget Amendment For Fiscal Year Ending June 30, 2026

Finance Director Pamela McBryde presented Budget Amendment BA-06-26, requesting authorization to add a total of $3,161,764 to the budget across several funds for the current fiscal year ending June 30, 2026.

For the General Fund, approximately $1.5 million is being added, including $216,528 in increased tax revenues (of which $175,000 is franchise tax), a gas fee compliance adjustment of $27,870, increased departmental fees across Police, Fire, Planning and Zoning, and Parks and Recreation, a $20,000 planning and zoning settlement, and $79,000 in investment interest. A draw of $1,200,000 from fund balance was also included to cover the city park and public service center capital projects and maintain audit compliance through fiscal year-end.

For the Water and Sewer Fund, $169,915 is being added, sourced from investment interest, water connection fees, collected fees, a gas fee adjustment, and two insurance claim installments. A draw of $1,000,000 from fund balance covers the water and sewer portion of the public service center.

For the Electric Fund, $109,616 is being added, including investment interest, collected fees, utility representative fees, an AT&T insurance installment, and a $30,000 settlement received from the insurance company related to an August incident at the City's electric substation.

Ms. McBryde clarified that the fund balance draws are not windfalls but represent previously approved capital allocations being formally budgeted to maintain compliance.

> **Motion to approve Budget Amendment BA-06-26 as presented was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

BA-07-2026

Budget Amendment For Fiscal Year Ending June 30, 2026

Finance Director McBryde returned to present a second budget amendment, BA-07-2026, adding $403,545 to the Water and Sewer Fund. This amendment was necessitated by settlement funds received unexpectedly during the week of the meeting: $68,933.68 from BASF and $165,734.16 from Tyco, both related to PFAS litigation settlements. An additional $168,877.99 for the clarifier project from NCDEQ was also included. McBryde confirmed all funds had already been received.

> **Motion to approve Budget Amendment BA-07-2026 as presented was made by Council Member Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Request Approval Of Hold Harmless Agreement, Release Of Liability, Assumption Of Risk, And Indemnification Agreement For Utility Infrastructure

Assistant City Manager Scott Clark explained that through the City's ongoing asset management program, staff have been identifying locations throughout the service area where private structures—homes, buildings, and other improvements—have been built on top of or immediately adjacent to city utility infrastructure, including water mains, sewer lines, and underground electric lines. Many of these situations were inherited when the City absorbed the Boger City Sanitary District and predate modern mapping and permitting systems.

To manage the City's liability exposure in these situations, Mr. Clark requested authorization to use a Hold Harmless Agreement, drafted with input from the City's legal team. When a conflict is identified, staff will approach the property owner and request their signature. If signed and recorded with the Register of Deeds, the agreement releases the City from liability should a utility fail due to a structure placed above it. If the owner refuses to sign, the City will issue formal written notification from the City Attorney's office documenting the conflict and the City's non-liability position.

Council Member Demeny asked for clarification on the practical difference between a signed agreement and a formal notification letter, noting both seemed to accomplish a similar purpose. Mr. Clark explained that the distinction depends on whether a recorded easement exists, the age of the utility, and other case-by-case factors, all of which must be assessed individually, often requiring a title search.

City Manager Ritchie Haynes and Assistant City Manager Clark both acknowledged that the City's GIS system and asset management efforts have significantly improved infrastructure mapping, but noted that legacy gaps remain—particularly from lines installed before modern documentation practices. The discussion touched on the value of institutional knowledge held by long-tenured employees approaching retirement.

Mr. Clark also noted that a more formalized encroachment agreement process for future situations—such as private irrigation systems installed within road rights-of-way—is under development and will be brought before Council at a future meeting.

> **Motion to approve the Hold Harmless Agreement as presented was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

**Request Authorization To Install Low-Flow Water Meters
On All Unmetered Private Fire Lines**

Assistant City Manager Scott Clark presented a request to authorize the installation of low-flow meters on all unmetered private fire lines within the City's service area. He explained that many older facilities have unmetered fire suppression lines, which creates two problems: the City cannot detect slow leaks or unauthorized taps on private property, and a catastrophic failure of a large fire line could significantly deplete the water system before it is detected.

Staff have identified approximately 20 to 30 such unmetered fire lines, some facilities having multiple lines. The proposed solution is to install a 1-inch low-flow meter in each pit, branched off the existing line and tied back in, at a cost of approximately $400–$500 per meter. The meters will not impede fire suppression flow but will detect low-volume usage such as leaks or unauthorized domestic connections.

Property owners would be set up with an account for the new meter and charged the standard fixed service rate of $16.55 per month inside city limits and $33.10 outside. The fixed charges are expected to recoup the cost of the meters within two to three years.

> **Motion to authorize installation of low-flow water meters on all unmetered private fire lines was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Approval Of Resolution To Approve Street Name For New Public Services Facility

Assistant City Manager Scott Clark explained that Lincoln County's addressing ordinance requires a road name for the access drive at the new public services facility currently under construction at the former Excel building site on Sigmon Road, as there will be three or more addressable structures. Staff presented three available options for Council's consideration: Excel Drive, Excel Lane, or Old Excel Drive.

Council members expressed a preference for Old Excel Drive, recognizing the historical significance of the Excel name to Lincolnton's textile heritage.

> **Motion to approve the street name "Old Excel Drive" for the new public services facility access road was made by Council Member Kevin Demeny. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Approval Of Contract Recommendation For Hollybrook Cemetery Lawn And Landscape Services

Public Services Director Nathan Eurey presented a recommendation to contract lawn and landscaping services at Hollybrook Cemetery to Bean Brothers Landscaping. The decision was motivated by the upcoming retirement of one full-time cemetery employee and the City's broader effort to identify cost efficiencies in anticipation of future budget constraints.

Mr. Eurey explained that he solicited proposals from multiple landscaping firms, including Metrolina Landscaping, Park View Lawn and Landscape, and Bean Brothers Landscaping. Bean Brothers submitted the most competitive proposal, covering 26 scheduled visits annually with biweekly mowing, trimming, hedging, and debris removal, as well as dormant-season bed maintenance during January, February, and March. The annual contract cost is $44,980, broken down to $3,748.33 per month.

City Manager Ritchie Haynes noted that additional funds has been allocated beyond the contract amount to allow for supplemental mowing during periods of heavy growth, particularly in spring and fall. He put the total cost of the prior staffing model—including salaries, benefits, and equipment—at close to $200,000 annually, making the contract a substantial long-term savings. The City will retain a caretaker position at the cemetery.

> **Motion to approve the contract with Bean Brothers Landscaping for Hollybrook Cemetery lawn and landscape services was made by Council Member Mark Johnson. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Request Approval Of Rail Trail Stair Mural

Public Services Director Eurey presented a request for approval of a mural project at the stairway connecting East Main Street to the Rail Trail in the 200 block. The project originated from the Rail Trail Advisory Committee. Artist Kenzy Baxter was aksed to develop concepts, and the committee selected a rendering featuring painted risers on the stairwell steps (not the treads), the north-facing wall at the Rail Trail entrance, and the interior walls of the tunnel. The design carries a one-year warranty and is expected to remain in good condition for five to seven years.

The project was approved by the Steering Committee and will be funded through a grant from the Lincoln Tourism Development Authority (LTDA) in the amount of $18,000, with no cost to the City.

> **Motion to approve the contract with Kenzy Baxter for the Rail Trail stair mural was made by Council Member JillTipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

Approval Of Resolution Authorizing The Repeal Of The Existing Speed Limit And Requesting Concurrence From The NCDOT To Establish A 35 MPH Speed Zone On SR 1294 (Lithia Inn Road)

City Manager Haynes presented a resolution to reduce the speed limit on the City-maintained portion of Lithia Inn Road—from the bridge through Country Club to Victory Grove Church Road—from its current limit to 35 MPH, and to formally request that NCDOT reduce the speed limit on the state-maintained segment (from the bridge out to East Main Street) to match.

Mr. Haynes explained that the process began with a resident petition, which was subsequently reviewed by the City's Traffic Safety Committee. He noted that the road has seen increased traffic volume due to new condominium development, pedestrian activity from golfers crossing the road, and additional industrial traffic. Mr. Haynes stated that no residents in the area had expressed opposition and emphasized that the needs of residents living along the corridor should take precedence over the convenience of through traffic.

Council members discussed the layout of the road, noting that the narrow width between Country Club and Lithia Inn naturally encourages lower speeds. The state-maintained portion would require NCDOT to conduct its own traffic study using a formula-based process.

> **Motion to approve the resolution repealing the existing speed limit and requesting NCDOT concurrence to establish a 35 MPH speed zone on SR 1294 (Lithia Inn Road) was made by Jill Tipton. The motion carried unanimously with members voting 4-0 in favor of the motion.**

City Manager Haynes offered several updates and acknowledgments.

City Manager Ritchie Haynes highlighted the retirement of Danny Avery, whose 33 years of service were recognized on the consent agenda. He noted that Danny is part of a remarkable three-generation family legacy with the City: his father, Forrest "Shorty" Avery, served as a street supervisor, and Danny's son Jonathan currently works at the water treatment plant. Mr. Haynes also recognized Adam Sane and Will Sane for completing their Meter 1 certification through ElectriCities, and Kristy Morris for completing her administrative certification.

Mr. Haynes candidly addressed the City's looming financial challenges stemming from anticipated sales tax losses. He indicated that the City has two frozen Public Works positions and will not be able to sustain all current service levels going forward. Recycling, which costs approximately $45,000–$50,000 per year and has never generated a rebate since the program began around 2017–2018, was cited as one service that may not be sustainable alongside full public safety and solid waste operations.

Mr. Haynes also discussed the status of the City's pool, noting that the aging pump house has created significant parts-availability challenges. After consultation with a contractor and with Public Services Director Nathan Eurey, staff determined it was not financially viable to open the pool mid-season, as the primary revenue window between Memorial Day and July 4th had already passed and the costs of staffing—background checks, drug screenings, and lifeguard hiring—could not be recovered. Haynes indicated that staff would return to Council in October with options for the pool's future, including whether capital investment to replace the pump house can be justified given the anticipated budget environment.

Looking Ahead City Manager Ritchie Haynes reiterated that the City was fortunate to have an additional year to prepare, but that difficult decisions on capital expenditures and non-essential services lie ahead. He noted that anticipated revenue growth from incoming development—including Target, Lincoln Meadows, and continued build-out along Startown Road—offers some optimism over a three-to-five-year horizon.

In closing Mr. Haynes reminded Council and the public of upcoming Independence Day programming, including train rides and a movie-in-the-park screening of National Treasure on July 3rd, and the parade on July 4th at 11:00 AM, with line-up on Water Street beginning at the 5th Third parking lot on Cedar Street.

Mayor Ed Hatley opened the floor to question from the news media, after which he announced the need for the governing body to enter into closed session

> **Motion to enter into closed session was made by Council Member Roby Jetton. The motion carried unanimously. The Council entered into closed session.** ***In accordance with NCGS 143-318.11(a)(3)***

Upon returning to Open Session, meeting was adjourned. **Council Member Mark Johnson made a motion to adjourn. Members voted 4-0 in favor of the motion**

Daphne Ingram, City Clerk	**Ed Hatley, Mayor**