LINCOLNTON CITY COUNCIL
REGULAR MEETING – JANUARY 8, 2026

Mayor Hatley called the January 8, 2026, City Council meeting to order, beginning with the Pledge of Allegiance and a moment of silence. The Mayor requested to add two items to the agenda: item 5C to discuss starting City Council meetings at 6:30 PM instead of 7:00 PM, and item 5D to discuss lighting around the court square.

> **Motion by Council Member Jetton to approve the agenda as amended. Members voted 4-0 in favor of that motion.**
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Mayor Hatley noted that one of the consent agenda items was National Law Enforcement Day.

> **Motion by Council Member Jill Tipton to approve the consent agenda as presented. Members voted 4-0 in favor of that motion.**
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PUBLIC COMMENT

Mr. Alan Hoyle addressed the Council regarding human trafficking awareness month, noting that North Carolina ranks high among states for trafficking. He connected this issue to abortion, stating that many cities and counties have passed resolutions or ordinances declaring themselves to be "no kill" zones regarding abortion. Mr. Hoyle expressed his belief that Council members have a responsibility to protect the most vulnerable and urged them to take action on this issue.

Mr. Jim Watson thanked the Mayor and Council for their service and shared his recent experience with a house fire at one of his rental properties. He praised the Lincolnton Fire Department for their professionalism and quick response, which saved the structure from being completely destroyed. He explained that the fire was caused by a squirrel that shorted out a transformer, sending a surge of electricity into the house that ignited the furnace. Mr. Watson particularly commended the firefighters who entered the crawl space with breathing apparatuses and even rescued one of the tenant's dogs. He expressed his pride in the level of service provided by the city's first responders.

SPECIAL RECOGNITION / ACKNOWLEDGEMENTS

Betty Flohr, Executive Director of the Downtown Development Association, thanked the Mayor and Council for the opportunity to speak. She introduced the DDA board members and highlighted the numerous community events organized by the association, including Live After 5, the Lincolnton Food Wine & Brew Fest, Summer Concert Series, and art crawls.

Ms. Flohr gave an extensive presentation about Santa's Village, describing the magical holiday experience that included a train ride, Santa's workshop, marshmallow roasting station, and thousands of lights along a trail. She emphasized that everything in the park was offered free of charge thanks to generous sponsors and dedicated volunteers. Ms. Flohr recognized numerous individuals who contributed to the success of the event, including board members, student volunteers, and city employees. She shared that some families waited over two hours for the train ride, demonstrating the event's popularity.

Council Member Demeny, who serves as the Council representative to the DDA, commented on the tremendous amount of planning and work that goes into these events and stated that the city is better for it. Mayor Hatley expressed the city's appreciation for everything the DDA does.

PUBLIC HEARINGS

ZTA-6-2025
Zoning Text Amendments to Chapter 152 Flood Damage Prevention and Chapter 153 Unified Development Ordinance

Mayor Ed Hatley opened the Public Hearing and recognized Planning Director Jean Derby presented three proposed zoning text amendments:

- Removing references to flood zones AO and AH in the Flood Damage Prevention ordinance, as these zones do not exist in the city's jurisdiction
- Modifying the "one principal building" section to allow staff approval for subdividing lots with existing multiple dwellings, eliminating the need for a lengthy variance procedure
- Removing the requirement for clear windows in the central business and transitional business districts, allowing tinted or mirrored windows

Ms. Derby explained that these changes would streamline processes, reduce unnecessary text in the ordinance, and accommodate existing business needs. The Planning Board had voted in favor of the amendments.

During the public hearing, Mr. Alan Hoyle spoke about flooding issues he had experienced on his property, noting that water from McBryde Street floods underneath his building. He expressed concern about recurring flooding and wanted to address the issue while flood prevention was being discussed.

Motion by Council Member Jetton to close the public hearing, seconded by Council Member Demeny. Motion carried unanimously.

Motion by Council Member Demeny to approve the amendment and statement of consistency for approval. Members voted 4-0 in favor of that motion.

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REGULAR AGENDA

Facade Rehabilitation Grant Program — Updated Application

Planning Director Jean Derby presented updates to the Facade Rehabilitation Grant Program application. The updates included adding the city logo, language about meeting Secretary of Interior Standards for Rehabilitation "unless otherwise authorized by staff," and a requirement for two estimates from licensed contractors with the application. A new colored map of the program area was also added.

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Motion by Council Member Demeny to approve the changes. Members voted 4-0 in favor of that motion.

SB-1-2024
Consideration to Reduce Subdivision Infrastructure Contract and Surety Bond for Clark Creek LLC

Planning Director Jean Derby explained that Clark Creek LLC was requesting a reduction in their surety bonds for completed exterior sidewalks and buffer plantings at their development at the corner of Starr County and Clark Creek. Ms. Derby confirmed that staff had inspected the completed work and verified it met requirements. The developer was also requesting an extension of 18 months to complete interior infrastructure, as they prefer to wait until construction is complete before installing the final layer of asphalt and interior sidewalks.

Council Member Demeny inquired about the progress of the development. Ms. Derby indicated they were approximately 34% complete, with 112 permits issued so far. She noted that DR Horton is building the homes, and the pool and clubhouse amenities are already completed.

Motion by Council Member Demeny to approve the reduction of the bond for Clark Creek LLC. Motion carried with a 3-1 vote with Demeny, Johnson and Tipton voted in favor. Council member Jetton voting against.

Presentation of the Fiscal Year 24/25 Financial Statements

Carol Avery presented highlights of the city's financial audit, which received an unqualified opinion. Key points included:

- General Fund assets of $16,996,269, an increase of $909,000 from the previous year
- Fund balance of $15,128,697, an increase of $1,047,000
- Total revenue of $19,266,542, which was $490,000 less than the prior year but higher than budgeted
- Total expenditures of $19,569,303, about $980,000 higher than the prior year but under budget
- An available fund balance of 72.51% with Powell Bill funds, well above the average of 49.13% for similar-sized municipalities

Ms. Avery also reviewed the Water and Sewer Fund and Electric Fund, noting both were financially healthy. She explained that a new accounting requirement mandated reporting sick leave as a liability, which required a restatement of the financial records. The total cash for the city was $36,262,635, with $977,757 restricted for specific purposes.

City Manager Haynes noted that while fund balances have increased, they will decline over the next few years as the city funds major projects like City Park and the Public Service Center without incurring debt.

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BA-01-26
Approval of Amendment to the Annual Budget Ordinance for the fiscal year ending June 30, 2026

Finance Director Pamela McBryde presented a budget amendment to add $618,964 to the budget from various sources, including:

- Additional revenues from police department fees
- Additional Powell Bill funds
- PFAS settlement payment of $168,000 for water treatment
- Clarifier loan funds
- Connection charges and investment interest

Motion by Council Member Demeny to approve the budget amendment as presented. Members voted 4-0 in favor of the motion.

Consideration of Police Department Position Reclassifications

Police Chief Brian Greene began by recognizing Captain Tony Pops for graduating from the FBI Academy and earning a master's certificate from the University of Virginia.

Chief Greene then requested approval to restructure positions within the department following the retirement of Captain Painter and the department's evidence technician. He proposed reducing the number of captain positions by one, changing the evidence position to part-time, and adding two police lieutenant positions. This restructuring would not change the total number of positions (46) but would add another badge on the street.

The chief proposed implementing the police lieutenant at grade 59 and moving police captains to grade 61 (a 5% increase) to maintain appropriate pay scale relationships. He demonstrated that the restructuring would stay within the current salary budget.

Motion by Council Member Jetton to approve Chief Greene's recommendation. Members voted 4-0 in favor of that motion.

Human Resources Director Tanya Osborne explained that the changes would require Council approval of a revised position classification schedule. She requested the changes be effective at the beginning of the next pay period (January 13).

Update on Tow Rotation Procedures

Police Chief Brian Greene provided an update on the tow rotation policy discussed at the October budget retreat. The department had adopted Concord Police Department's policy as a draft, made minor changes, and submitted it to the city attorney for approval. The draft was then delivered to towing companies before Christmas. Chief Greene reported he had already met with six companies and was taking their suggested changes under advisement for a new

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draft. After attorney review, the revised policy will be presented to towing companies again before final adoption, with a target implementation date of February 16.

C-02-26
Consideration of Ladder Truck Purchase for Fire Department

Fire Chief Ryan Heavner thanked the Council for their support and introduced Battalion Chief Brent McConnell, who had researched the ladder truck opportunity.

Battalion Chief McConnell explained that their dealer had presented an opportunity to purchase an aerial apparatus that was already set to begin production, with expected completion at the end of 2026. He noted that the current aerial apparatus would be 20 years old next year and was experiencing regular maintenance issues and downtime, with parts becoming difficult to find.

Council Member Demeny asked how the city was able to get a $1 million discount. Chief McConnell explained that manufacturers currently have extended lead times of 4+ years for custom trucks, with costs increasing at least 10% annually. By taking advantage of this production opportunity, the city could save approximately $1 million compared to waiting and ordering later.

Chief Heavner added that the department is currently spending about $40,000 per year on repairs to the existing truck, with about 67% of their maintenance budget going toward that single vehicle. City Manager Haynes noted that the truck purchase would have been a major budget request in the upcoming fiscal year.

> **Motion by Council Member Jetton to approve the request for a new ladder truck, Members voted 4-0 in favor of that motion.**

C-03-26
Request to Consider Spectrum Contract

City Manager Haynes explained that the city has had a long-standing contract with Spectrum for equipment on the Lee Avenue water tank. Spectrum requested to add a cabinet to the site, offering to pay an additional $250 per month with a 2% annual escalator. The staff recommended approving the request as it would utilize existing space and generate additional revenue.

> **Motion by Council Member Jill Tipton to approve City Manager's Ritchie Haynes request to negotiate with Spectrum for a new contract. Members voted 4-0 in favor of that motion.**

Discussion of Changing City Council Meeting Start Time

Mayor Hatley presented a request to change the starting time for City Council meetings from 7:00 PM to 6:30 PM. Council members discussed that this would allow meetings to end at a more reasonable hour, as some recent meetings had run late. City Clerk Daphne Ingram explained that the Council would need to approve an amended resolution and post it for a specified time before implementation.

Motion by Council Member Demeny to approve the change in the resolution for starting time for City Council meetings to 6:30 PM. Members voted 4-0 in favor of that motion.

Discussion of Lighting Around Court Square

City Manager Haynes shared that the city had received an email from a pedestrian who was nearly hit in a crosswalk at the intersection of North Aspen and Court Square. After investigating, he identified that parked vehicles at that corner block drivers' visibility of pedestrians entering the crosswalk.

Haynes recommended eliminating the parking spot near JT's restaurant to improve safety. He also noted that lighting had been temporarily reduced due to construction, and council members expressed concern about pedestrian safety until full lighting is restored. The City Manager indicated he would take this issue to the Traffic Safety Committee, which meets the third week of the month, and would respond to the citizen who raised the concern.

OTHER BUSINESS

No other business was discussed.

NEWS MEDIA

Mayor Ed Hatley opened the floor for questions from the news media. Question from media was asked and answered by City Manager Ritchie Haynes.

CLOSED SESSION

Mayor Ed Hatley announced the need for the governing board to go into Closed Session.
Motion by Council Member Jetton to go into closed session to discuss property. Members voted 4-0 in favor of that motion.

Upon returning to open session, Council Member Jetton made a motion to return to open session. Members voted 4-0 in favor of that motion.

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