A G E N D A

HICKORY CITY COUNCIL

January 20, 2026

6:00 p.m.

AGENDA
www.hickorync.gov

If you have any questions about any item on this agenda or if you need more information about any item in addition to the information contained in the agenda package, please call the City Manager at 323-7412. For more information about the City of Hickory go to: www.hickorync.gov.

Hickory City Council
76 North Center Street

January 20, 2026
6:00 p.m.

I. Call to Order

II. Invocation by Senior Pastor Aryn Williams-Ruebel, St. Luke's United Methodist Church

III. Pledge of Allegiance

IV. Special Presentations

A. Presentation of the GFOA's Triple Crown Award. This award recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award. The Distinguished Budget Award is for the Fiscal Year Beginning July 1, 2024. This is the thirtieth consecutive year the City has received this recognition – Presented to Budget Analyst Matt Dellinger. Presentation of the Annual Comprehensive Financial Report Award. This is the twenty-ninth consecutive year the City has received this recognition - Presented to Finance Director Kari Dunlap.

B. Recognition of the Annual Beautification Awards Presented by the Community Appearance Commission, Chair Lynn Sampson, Vice-Chair Bruce Hooker, and Past-Chair Cliff Moone.

V. Persons Requesting to Be Heard

VI. Approval of Minutes

A. Regular Meeting of January 6, 2026. **(Exhibit VI.A.)**

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

A. Budget Revision Number 10. **(First Reading Vote: Unanimous)**

VIII. Consent Agenda: All items below will be enacted by vote of City Council. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

A. Approval of Change Order 3 with Buckeye Bridge, LLC for a Contract Deduction in the Amount of $972,309.91 for Lyle Creek Gravity Sewer Project. **(Exhibit VIII.A.)**

Staff requests Council's approval of change order number 3 with Buckeye Bridge, LLC for a contract deduction in the amount of $972,309.91 for the Lyle Creek Gravity Sewer Project. The project was for installation of additional infrastructure to transfer the wastewater from the City of Claremont to the Hickory-Catawba Wastewater Treatment Facility. It was advertised and bid on May 25, 2022, and Buckeye Bridge, LLC was the low

bidder. Change order number 3 accounts for as-built quantities and will serve as the final change order to zero out the remaining line items not being constructed/billed as part of this project. The over and under runs of existing line items total a deduction of $972,309.91. Staff recommend Council's approval of change order number 3 with Buckeye Bridge, LLC for a contract deduction in the amount of $972,309.91 for the Lyle Creek Gravity Sewer Project.

B. Budget Revision Number 11. **(Exhibit VIII.B.)**

1. *To appropriate a total of $20,068 in Parks and Recreation Donations towards programming costs: $6,951 from special activities, $11,749 from youth sports sponsorships, and $1,368 from senior games.*
2. *To appropriate $1,283 in donation revenue towards library programming costs.*
3. *To appropriate a total of $56,000 in revenues towards roof repairs at the transfer station.*
4. *To correct a previously allocated portion of Department of Justice asset forfeiture money to pay for police department supplies in the amount of $1,000.*

X. Items Removed from Consent Agenda

X. Informational Items

XI. New Business

A. Public Hearings

B. Departmental Reports

1. Presentation of an Ordinance to Amend the Hickory Code of Ordinances Chapter 29, Article III and Chapter 31, Article I – Presented by City Manager Warren Wood. **(Exhibit XI.B.1.)**

Chapter 29, Article III: Developer Responsibilities for Repairing Utility Cuts

The City of Hickory owns, and is responsible for maintaining, over 480 lane miles of roadway. Ensuring that proper repairs are made when construction takes place within the roadway is essential to maintaining this asset. To maximize the life cycle of Hickory's roadways, best practice repair methods will be required after a contractor cuts into an existing roadway. The City will have the ability to approve permits prior to construction, require warranties, inspect repairs, and to enforce civil penalties.

Chapter 31, Article I: Developer Responsibilities for Installing Taps on Subdivided Property

The City owns and operates a water and sewer system. Prior to development connecting to the system, permits, inspections, and fees are required by the City. After approval is received and the fees are paid, connections to the system shall be made by the City or a licensed utility contractor. When a property is subdivided and results in the construction of five or more dwelling units, the connections shall be made by the property owner at the owner's expense by a licensed utility contractor.

Staff requests approval of proposed modifications and additions to the City of Hickory Code of Ordinances Chapters 29, Article III, and Chapter 31, Article 1.

2. Presentation on Changing the City of Hickory's Mayor/Council Elections to Even Numbered Years – Presented by City Manager Warren Wood.

3. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Council Appoints) VACANT

Mayor Guess to Nominate Yajaira Tiscareno as an At-Large Representative on the Business Development Committee.

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
At-Large (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT

HICKORY REGIONAL PLANNING COMMISSION
(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

RECYCLING ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

SALT BLOCK FOUNDATION
(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council
Hickory Representative (Council Appoints)
(Unexpired Term of David Zagaroli)

YOUTH COUNCIL
(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Youth Council Applicant Review Committee Recommends the Following Appointments:

Homeschool Representative VACANT

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

XIV. Adjournment

***Hickory City Code Section 2-56. Public Address to Council:**

"When conducting public hearings, considering ordinances, and otherwise considering matters wherein the public has a right to be heard, when it appears that there are persons present desiring to be heard, the Mayor shall require those opposing and favoring the proposed action to identify themselves. Each side of the matter shall be given equal time. Those opposing the proposed action shall be allowed 15 minutes for presentation, followed by 15 minutes for those favoring the action, with the opponents then to have five minutes for rebuttal and the proponents to then have five minutes for surrebuttal. Those persons on either side shall have the right to divide their allotted time among them as they may choose. The Council, by majority vote, may extend the time for each side equally. On matters in which the person desiring to address the Council does not have a legal right to speak, the Council shall determine whether it will hear the person. The refusal to hear a person desiring to speak may be based upon grounds that the subject matter is confidential, that its public discussion would be illegal, that it is a matter not within the jurisdiction of the Council or for any other cause deemed sufficient by the Council. Any person allowed to speak who shall depart from the subject under discussion or who shall make personal, impertinent, or slanderous remarks, or who shall become boisterous while addressing the Council shall be declared out of order by the Mayor, or by vote of the Council, and barred from speaking further before the Council unless permission to continue shall be granted by a majority vote of the Council, under such restrictions as the Council may provide."

The City of Hickory holds all public meetings in accessible rooms.
Special requests for accommodation should be submitted by individuals with disabilities at least 48 hours before the scheduled meeting.
Phone Services (hearing impaired) – Call 711 or 1-800-735-2962

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, January 6, 2026 at 6:00 p.m., with the following members present:

Hank Guess

Tony Wood		Anthony Freeman
Charlotte C. Williams	Aldermen	
Danny Seaver		Jill Patton

A quorum was present.

Also present were City Manager Warren Wood, Deputy City Manager Rodney Miller, Assistant City Manager Rick Beasley, Assistant City Manager Yaidee Fox, City Attorney Timothy Swanson, Deputy City Clerk Crystal B. Mundy and City Clerk Debbie D. Miller

I. Mayor Guess called the meeting to order. All Council members were present except for Alderwoman Dula

II. Invocation by Reverend Antonio Logan, Friendship Missionary Baptist Church

III. Pledge of Allegiance

IV. Special Presentations

A. Recognition of the Greater Hickory Tennis Association for the North Carolina Tennis Association Member Organization of the Year – Presented by Parks, Recreation and Sports Tourism Director Mark Seaman, Greater Hickory Tennis Association Chair Allen Finley and Past Board Chair Hani Nassar

Mayor Guess asked Parks, Recreation and Sports Tourism Director Mark Seaman to the podium who would be accompanied by Greater Hickory Tennis Association Chair Allen Finley and Past Board Chair Hani Nassar.

Parks, Recreation and Sports Tourism Director Mark Seaman thanked Council for allowing him to be the first one to speak in 2026. He appreciated the chance to put the spotlight on an outstanding volunteer member organization that was doing great things in the community. The Greater Hickory Tennis Association (GHTA) was governed by a 19-member board, all whom collectively donated thousands of hours of volunteer time each year to promote the game of tennis. Nationally, tennis continues to grow. There were now more than 25 million tennis players in the United States and participation had increased by 8% over the last year. GHTA plays a major role in supporting growth locally. Much of their work happens behind the scenes, not only promoting the sport, but also helping ensure that Hickory's tennis facilities remain amongst the best in the area. Through their donation of time, expertise, and resources, GHTA has been a strong partner with the City of Hickory in maintaining and improving the tennis courts. As pickleball participation has grown nationwide, many communities have faced challenges balancing the use of shared tennis and pickleball facilities. GHTA has been proactive and collaborative in this area when the City last resurfaced the courts, GHTA recommended converting the Westmont tennis courts and one tennis court at Taft Broom Park into pickleball courts, helping reduce conflicts and better serve both user groups. Currently, there are 13 dedicated tennis courts and 13 designated pickleball courts in the City. GHTA was a great example of how volunteer organizations can work alongside the City to meet evolving recreational needs. Due to these things and many more he was proud to share that in 2025, GHTA was named Member Organization of the Year by the North Carolina Tennis Association. It was his pleasure to invite the two individuals that the Mayor mentioned, Allen Finley and Hani Nassar to the podium and talk about some of the great things GHTA does.

Greater Hickory Tennis Association Chair Allen Finley thanked Mr. Seaman. He introduced himself and advised he was last year and this year's President of the GHTA. He introduced past President for many years and incoming Secretary Hani Nassar who would follow him in the presentation. He thanked their 21-member team, their board, they have two ex officio members as well, but especially he wanted to thank Bill Hall who was present, Hani Nassar, Donna Barger, Dwayne Mozingo and Steve White. They have a big team of volunteers throughout the community, and they do a ton of work. He shared a couple of highlights. He reiterated they have really strong board participation and a big volunteer community. They were heavily committed to growing and fostering tennis in the community and they also continued to support existing players, not just trying to foster new players but they consistently introduced new folks to this healthy sport. He advised that the USTA came up with a study a couple of years ago that proved that if you play tennis two or more times a month and you are 35 years of age or older, you could live an extra nine years. It was a really healthy sport that they should all get involved in. That was one reason they pushed it so much. They hosted a 40 and over age group State Tournament last year, 900 players were in Hickory, which was a huge economic impact. They have run large Juniors Tournaments every year that sometimes have over 100 registrants. Lots of little kids. It was great. They just finished creating their very first tennis scholarship for two high school seniors at $1,500 each per year, one male, one female. They were going to continue that after this year, and they have a newly updated website, newsletter, and brochure. They have a long-range Planning Committee that was working on plans for two more courts at Hickory City Park. Fingers crossed, hopefully they would be working with Hickory on that. He asked Hani Nassar to continue the presentation.

Past Board Chair Hani Nassar continued the presentation. He advised they were one of the first inaugural advocacy specialists in the nation, which meant they have a grassroots activity to grow tennis in the community as well as in the nation. He was on the USDA North Carolina Tennis Board, and their goal was to grow tennis up to 35 million by 2035.There were a lot of grassroots activity in this area. As Mark Seaman mentioned, they had successfully segregated tennis court and pickleball, which was a major issue with pickleball players in the nation. This was something that they were proud of to be able to segregate. Now they have no tennis courts with pickleball lines, which was probably the only area in the nation that could say that. They were also the only community tennis association that was financially and voluntarily. They volunteer and support the Winston-Salem Open, which was held every August in Winston-Salem, which was an (ATP) Association Tennis Professionals Tournament that they supported financially and through volunteers. They were school partners. They have about 25 schools, middle schools and elementary schools in Iredell County as well as in Caldwell County that they support in tennis. They introduced the game of tennis to the young elementary and middle school students. The coaches take over from there. They had not been able to penetrate Catawba yet, so maybe. But Caldwell and Iredell had been very eager to do that, and they had been doing it as a GHTA. They were also one of the first (CTAs), the Community Tennis Association, to introduce red ball tennis. Red ball tennis was red balls. There are different balls that they use with juniors and adults. Red ball being one of the first balls, which was 25% pressurized, so it was for juniors. They were introducing red ball, which uses this part of the tennis court. In a sense, it was competitive to pickleball. They were the first ones to introduce it in the nation. They provide coaching to individuals with intellectual disabilities. They have certified coaches that do that. They were part of the Association of Abilities Tennis in North Carolina. They do wheelchair tennis, and they do blind and vision impaired tennis. The blind and vision impaired was kind of interesting because they open the ball, they put jingles in it, and then the jingles will cue the players to know where the ball was. And they allow three different bounces for the purse for the ball before it was hit. And then also the last one was the amputee tennis or individuals with prosthetics. These were all a combination of things that helped them become a member organization of the year. As Mr. Finley mentioned, with Mark Seaman on board, this was also one of the few CTAs that they have a Parks and Recreation person on their board. He mentioned Sam Clark, who was the Lenoir-Rhyne Tennis Coach of men and women was also one of the members of the board. He thanked Council for allowing them to speak and giving them the opportunity to work with Parks and Recreation to become one of the premier tennis organizations in North Carolina.

Mayor Guess thanked Mr. Nassar, Mr. Finley and Mr. Seaman, for their leadership with the Greater Hickory Tennis Association and the partnership they have with the City. They appreciated the economic development and all that it brings to the City. He did not know that you could add nine years to your life. That was the first time he had heard that one.

Mr. Allen Finley advised 9.1.

Mayor Guess commented that it was even better. They appreciated all that they do in the community, not only associated with tennis, but with other things as well. He thanked them and congratulated them on their recognition.

Alderman Seaver congratulated them.

B. IBT Update – Presentation by Western Piedmont Council of Governments Executive Director Anthony Starr

Mayor Guess asked City Manager Warren Wood to introduce the next presentation.

City Manager Warren Wood advised they all knew that a big issue had been interbasin transfers along the Catawba River for them, and the most recent one with the City of Charlotte and what they were pursuing. That was something they were opposing as a Region and along the Catawba, the chain of lakes. He asked Anthony Starr, Executive Director of the Western Piedmont Council of Governments, to the podium for the presentation. Mr. Starr visited different jurisdictions in the region to do this presentation to give everybody an update.

Western Piedmont Council of Governments Executive Director Anthony Starr commented that it was always a pleasure to join them, and he appreciated the partnership with the Western Piedmont Council of Governments (COG). He appreciated Alderwoman Patton for serving as the Past Chair of the Board and part of the leadership in the region. He gave a PowerPoint and advised he would explain why this was important, what IBTs were, the Catawba River basin, Charlotte Waters request, some of the alternatives, their coalition and the legislative study.

Mr. Starr explained what an IBT or interbasin transfer was. It was when a utility removes water from one river basin, in this case the Catawba River Basin, and transfers it to another through discharging through its wastewater process into another river basin. In this case

Charlotte, discharging it into the Rocky River, Yadkin River basin. It does not count when calculating how much they were transferring the water that was returned from their wastewater treatment process. It only counts if they withdraw it and then do not return it. What do the experts say about these IBTs? There is a lot of academic research out there that says they have both environmental and economic negative impacts on the source basin, such as the Catawba River. That was what was of concern to them. Charlotte Water currently has a 33 million gallons per day IBT certificate issued in 2002. Concord Kannapolis has a 20 million gallon per day certificate, of which 10 million comes from the Catawba, another from the Yadkin Basin. The Town of Mooresville also transfers nine and a half million.

Mayor Guess commented that those do not expire, is that correct?

Mr. Starr advised they do not expire under current law. That was right. If they seek to increase it they have to get permission to increase it. He explained how the State divides up the basins. There were sub basins. He referred to the PowerPoint slide and pointed out the various river basins in North Carolina. He noted that the Catawba River basin was actually one of the smaller river basins, geography wise in the State. He advised the Catawba River was the first river in the United States completely planned and developed for electricity production. It started in the early 20th century and was completed when Lake Norman was constructed in 1963 by 1,800 miles of shoreline. Duke Energy uses it to create about 20% of its energy in the State for its customers. It was the most densely populated river basin in North Carolina. It also serves about 2 million people through 18 different public water systems. At the end of the day, what they had to understand was the Catawba River was a threatened river. Twice in the last 20 years, it has been labeled as the most endangered river in America, primarily because of unprecedented demand for clean water with the exponential growth in Charlotte. That threatens the supply of the river and has other impacts on it as well. To that threat and part of that problem comes into it was drought conditions. He referred to the PowerPoint slide and displayed a graph that showed the U.S. drought monitor. It showed from 1998 to last year drought conditions in North Carolina. The higher the bars were on the chart, the greater percentage of North Carolina was in drought classification. The darker the colors, the more severe the drought. He pointed out 1998 to 2012 drought was really severe as well as the 2007 to 2009 drought. He explained why that comes into play for their rivers and their lakes in terms of water supply. He referred to the PowerPoint and displayed a diagram their engineers created. He pointed out the water treatment plant on the diagram, and the normal elevation for their lakes. He pointed out the intake for the water system. The closer during drought conditions the water gets to the water intake the more endangered their water supply becomes. The water had to stay a certain amount above their intakes in order for their water systems to operate. In the 1998, 2002 drought, that was the largest deficit of rainfall on record in North Carolina in the Western Piedmont. He displayed a map on the PowerPoint and explained the way to read that map was basically those were stream flow measurements. He pointed out the pink area in the Western Piedmont was the most affected in North Carolina. This was the epicenter of that drought. And then again in 2007, 2009, which was the most severe drought in recorded history for North Carolina. At that time, Hickory was putting out press releases to try to reduce water consumption by 20%. Water levels dropped by 8 to 10 feet below normal during that time. Also, on Lake Norman, the level of that lake dropped to just 3.1 feet above the cooling intake for a nuclear power plant. That was kind of important. Meanwhile, Charlotte continued to pull water from the Catawba River and loses about 19% of every gallon it takes out of the river through leaks in its system. It was called water loss. That equates to about 23 million gallons per day. They lose more water each day than Hickory produces on average. Consider also that Charlotte might say, well, IBTs were part of the normal process. It was part of business. It was what they had to do. It was no big deal. Charlotte Water and its water conservation goals, like many of their systems, during severe or extreme droughts, were 10 to 20% reduction in use of water. They use about 125 million gallons per day. That results in about a conservation goal of 12 and a half to 25 million gallons per day. The potential water, Charlotte Water IBT was 63 million gallons per day. Charlotte was proposing to transfer two and a half to five times more water than it hopes to conserve during extreme droughts. Either this IBT was a big deal, it was significant, or their water conservation targets were not adequate.

Mr. Starr discussed Charlotte Water's request. They currently, as he mentioned, have permission to withdraw up to 33 million gallons per day. That was originally approved and intended to go to 2030. They were approaching that limit. Now they were anticipating asking for up to 63 million gallons per day to transfer from the Catawba River. He referred to the PowerPoint and displayed a map. He pointed out Mecklenburg County and where they withdraw the water from Mountain Island Lake and Lake Norman. They treat the water at the treatment facilities and that drains to the Yadkin and Rocky River basin. They want to transfer the water over into that eastern third of Mecklenburg County. Conservatively, if you take 30 million gallons per day, what that equates to was about 300,000 extra people in the eastern third of Mecklenburg County was what they were planning. That was driven by a lot of growth there. He pointed out growth rates in and around, especially on the east side of Charlotte and adjoining counties. It was basically going to take away their

opportunity to grow in Western North Carolina if they continued to transfer water out of the basin.

Mr. Starr noted that Hickory belongs to a group called the Catawba Wateree Water Management Group, and that was a group of utilities up and down the river chain in North and South Carolina that cooperate together to plan and manage the Catawba River system. It produced a water supply plan in 2014. They were nearly finished with an update. But in that plan, it cited research that showed by mid-century, the safe yield for many of their basins and reservoirs, many of the Catawba River basin's reservoirs would be exhausted by the year 2050. He advised that it would make population economic growth unsustainable when that happens. The safe yield deals with how much water do they have, that difference between normal operation and drought conditions. That was going to start impacting their ability to get permits for their own growth. Never mind this study was done in 2014. Charlotte's growing at faster rates than that study assumed. He thought that day would come sooner than 2050. Keep in mind, at the same time, their research shows that they looked at the water flows of the Catawba River going back to the 1960s. What it shows essentially was that the flow of the Catawba River, they were transferring more and more water out of it into other basins. At the same time, the flow of the river was decreasing, so it was not even staying at level amounts. That results in less water, which means higher pollutant concentrations, which drives up the treatment cost of all of their utility systems. The more they transfer out, the more it contributes to that problem as well.

Mr. Starr advised that Charlotte's water rates were another thing that they looked at. Charlotte's water rates were more affordable as a percentage of median household income than 90% of other utilities in North Carolina. They pay less for the same amount of water. At the same time, Charlotte loses about 19% of its water that it treats annually. He referred to the PowerPoint and displayed a chart. He pointed out what represented the median affordability for water systems in North Carolina, what represented all of them in their region, and Charlotte. Basically, IBT means cheaper water for Charlotte and more expensive water for everyone else in the river basin. Their concern about this legally was this was the precedence that continued, this keeps happening more and more. They were going to exhaust their supplies with that. Charlotte had to look at the alternatives and their process and they had done that. They did it even back in 2001. There were two primary options they had to reduce or eliminate their IBT. One was to take water from the Yadkin River, either by purchasing it from existing utility systems, or construct their own treatment facility. Another option was to return the water back to the Catawba River basin through the wastewater discharge process. Those were both options. Charlotte looked at the cost of those options back in 2001 and they said the cost back then for those options was $16 million or $82 million. And now they were saying those costs were both over $800 million each to do either one. That seemed like a really large number, and it represented a 10 to 50 times increase in inflation for those projects. They were not necessarily accepting those cost estimates at this point. But even if they did, for the argument's sake, right now consider that Charlotte has about a $651 million annual budget for its utility system and it plans about $2.3 billion in projects over the next five years. When you look at that, that means that avoiding an IBT for Charlotte only requires about a 12% increase in their capital budget over the next 15 years. They think that was a reasonable step to take and was not cost prohibitive for them when you look at the scale of their current operations. Meanwhile talking about the cost, they had not invested in alternative water source projects in this century. Their leaders have backed a sales tax increase for transit infrastructure. They received $141 million in pandemic funding that could have been used for infrastructure as well that they used for other purposes. Bottom line, though, was Charlotte pays less for water, Charlotte received Federal funds for water infrastructure but did not use it for that purpose, and they support a tax increase for other non-water infrastructure. They have the means, just not the desire to do the right thing and pursue alternatives for the IBT.

Mr. Starr advised as a result, in response to this, they formed a coalition of local governments and our local governments in the region for the Western Piedmont COG asked them to facilitate and coordinate these efforts. It also included McDowell County, in addition to the four counties of Alexander, Burke, Caldwell, Catawba and the municipalities. At some point, there would be a public hearing that the Environmental Management Commission would hold on the environmental impact statement from Charlotte Water, when they produce that, and that would be the process that they use to determine whether they grant their request to expand and increase their IBT. Some key points their coalition was putting out on this front would be that their region's future growth could be limited because of these large IBTs. If they exhaust the supply at some point, Federal, State, regulatory agencies were going to start telling Hickory and other local governments they could not increase their treatment permit anymore because the river system would not support it. They would also say they were not opposed to Charlotte growing. They just do not want that growth to occur at their expense. The limited resources of the Catawba River should not be used to subsidize growth outside the river basin. Charlotte needs to implement policies and infrastructure to avoid these IBTs. Lastly, IBTs, as he said before, could make the impacts of severe droughts much worse for their communities along the Catawba River.

Mr. Starr advised that last year they were successful in getting legislation passed, House Bill H. 850 that put a moratorium in place on large IBTs over 15 million gallons. That applied to Charlotte. At the same time, it directed that the UNC Collaboratory at UNC Chapel Hill to study the issue and provide recommendations. They have to look at the statutory process in that study on the approval of these IBTs as well as provide their own recommendations. There are a couple of really key things that they were advocating for with the UNC Collaboratory. One was imposing a shot clock, since they were in basketball season now, on large IBTs, and that means that you can institute IBT, but you have maybe a 15- or 20-year limit on how long it can operate and transfer the water and that gives you time to build the necessary infrastructure to eliminate your IBT. The second thing that they wanted them to consider was a drought mitigation fund for impacted communities. If Charlotte gets approved of an IBT in the future or some other entity, they have to set aside a certain amount of funding each year for other communities that were impacted by that IBT to use to become more drought resilient. Maybe that was lowering an intake on the reservoir, maybe it was providing an interconnection between utility systems. But those were the options they wanted them to consider. What were they asking their coalition members to do, and the public was to respectfully engage their State legislators to talk about these key points. They would provide information along the way to them to do that. They also want Hickory and other local governments to engage with the UNC Collaboratory to share their local perspective. They would be sending some information to them on that front in the coming weeks. At the end, the next 50 years of growth in their region will be determined by this issue. It really could not be overstated. They need to use every opportunity to keep this issue at the forefront of people's minds. He asked for questions.

Alderwoman Patton asked what it would take for them to pump or get back the water into our basin, if it was granted. Was it on the table that over the 10 or 15 years, they have to have the ability to get the water back into our basin and how would that mechanism work?

Mr. Starr advised there were ways they could go about that. They could build it immediately and finance it, or use their savings, or they could be required to set the funds aside to do that in some period of time. To her point, they could pump their discharge water from the wastewater treatment plant back into a stream that feeds into the Catawba River. That would eliminate the IBT or greatly reduce it.

Alderwoman Patton commented but it would be at a cost.

Mr. Starr replied yes, they were saying it was currently over $800 million. They have not released their environmental impact statement yet. They do not know any details about what that looks like and once they do, their engineering team would be taking a look at that to see what assumptions they made and whether they agree with those assumptions.

Alderman Freeman thanked Mr. Starr for being one in the community that was certainly ahead of this and the extensive research and study that he continued on doing on the IBT. He thought someone might be able to say it nicer than he could, but he believed that the last IBT meeting that he attended was in Hickory at the Ridgeview Library. One of his questions was basically reiterating what they were presenting to them, which was they wanted to take water out of the Catawba River and not put it back, which was the cheapest way. Now, in Mr. Starr's study, he also revealed that there were 23 million gallons that were being leaked because it was not being repaired. He would love to know what their stance on that was. They have a financial budget that could certainly pay for what they need, but rather they want to take the cheapest way out. Someone could say it nicer, but it sounds like they were a bunch of thieves. He knew somebody else did not want to use that terminology. He probably wanted to be more politically correct, but that was what it sounds like to him. He would love to hear his comment on that.

Mr. Starr commented that the average for water loss was more in the 14% or so range for utility systems, and they were well above that. That was one of the ideas that they put forth to the legislature was to require that if they were going to get an IBT their water loss percentage needs to be down at an acceptable rate. Do not ask to transfer water out when you bleed too much water into the ground. That was what they were looking at. The cost. They certainly, as a highlight of the budget, have the financial ability to do the right thing here, but they want to choose the cheaper option. He thought he asked the question about what they said.

Alderman Freeman referred to the 23 million gallons.

Mr. Starr advised they just acknowledged what the water loss percentage was according to their Deputy Director he was in a meeting with some time back, but they had not put any information or details out. And frankly, that had been a frustrating part of this process was that Charlotte Water had engaged with the public a great deal on this front and put very few details out there, and it left a lot of questions for people. He believed that they knew the answers to a lot of the questions that were floating out there, but they had just not put information out yet.

Alderwoman Williams commented they were in this moratorium, and a study was being done. What were the next steps? Would a decision be made by the panel that would be all or nothing, or would there be stipulations that come out of these recommendations, things where they were talking about alternatives?

Mr. Starr advised the moratorium was in place until March of 2027, according to the State law that was passed. The study was due to be complete by January of next year. At that point, the General Assembly would take into consideration the recommendations of that study. That was when their efforts would be really focused on advocating for what they think was in the best interest of the entire river basin and not just Charlotte's interest. And frankly, this was a statewide issue. There were fights like this happening in other parts of the State as well.

City Manager Warren Wood commented that DEQ was the way it was established right now as the decision maker.

Mr. Starr advised the Environmental Management Commission, which was housed in the DEQ. The Environmental Management Commission was an appointed body. It does not answer to the Secretary of DEQ, but it was housed there and staffed by DEQ for sure.

City Manager Warren Wood commented unless the legislature inserts itself, then it was a bureaucratic, to some degree, decision.

Mr. Starr replied right. They have to have some hearings and everything, but the guardrails for issuing these IBTs were pretty broad. The would like to narrow that more so that the circumstances were more limited when it was appropriate.

City Manager Warren Wood commented they narrowed the guardrails last time they fought this, but not nearly where they needed to be.

Alderman Wood wanted to build on what Alderman Freeman brought up. He thought this was a situation where the leaders in Charlotte, like electricity, were taking the path of least resistance. He knew how hard that could be to face these kinds of issues because they were doing it now. They were planning for 2050, and it was being misinterpreted what they were trying to do, but it was a tough sale, but he thought that was where they were trying to go with this. He had three questions. When they were determining whether an IBT was allowed, was it the entire basin from headwaters to wherever, the ocean he guessed, was that what was considered or was it segmented? Do they take it in segments?

Mr. Starr advised that as he understood the process now, it basically hinges on the environmental impact statement that the applicant produces in this case Charlotte, and the EMC had to determine whether or not it was comprehensive enough and considered all the factors. That was the point in the hearing, was for other stakeholders to point out their study did not look at enough options or consider enough communities for all the impacts. There were not a lot of finite regulations on the scope of such studies.

Alderman Wood asked his second question, are people downstream from Charlotte on the basin forming coalitions like they were above Charlotte? Was he seeing the same kind of opposition? Because it affects them too, if they are considering the entire basin.

Mr. Starr mentioned that folks in South Carolina were very concerned. He had spoken with a number of folks there. They were not part of their coalition. Frankly, that was a different legal process. If they remembered, constitutional law says when one State sues another State, it goes straight to the Supreme Court. He thought if North Carolina approved this IBT, there was a good chance that South Carolina could sue North Carolina again and this issue would find itself in front of the Supreme Court again.

City Manager Warren Wood commented that the Catawba Water Remanagement Group included folks from South Carolina.

Alderman Wood commented that municipalities are forming coalitions to oppose this as well downstream from Charlotte.

Mr. Starr did not know if they went that far to say they formed a coalition, but they were definitely engaged in watching these.

Alderman Wood’s last question was the Catawba River basin a recipient of any significant inter basin transfers?

Mr. Starr did not think so. Not at least in North Carolina.

Alderman Freeman commented the tactics that they were using was that they were kind of shooting for the sun and stars, but knowing they might not get all that, but they might get half. That was the type that they were using.

Mr. Starr commented that very well maybe. They do not know because Charlotte has not been very forthcoming in its intentions and details.

Alderman Seaver asked what does it do to the other river basins when they transfer more water in there than it was used to? Does that create more problems too?

Mr. Starr advised there were some environmental impacts that it could have on the receiving basin. He could not speak to the technical aspects of that, but he had been made aware that there were potential negative impacts sometimes for receiving basins as well.

Alderman Seaver asked if there were any cost associated with doing an IBT other than just getting permission?

Mr. Starr explained that Charlotte incurred cost in terms of the engineering it does to apply for this and whatever legal factors, he guessed. But in their calculation, he was sure they were thinking that cost was cheaper than it was to build the necessary infrastructure to avoid the IBT.

Alderwoman Patton commented that if they built the infrastructure as Mr. Wood said, they have already said they were investing for 25 - 30 years out. If they do it, then it would not be a fight because they would get back that water.

Mr. Starr replied right.

Alderwoman Patton commented that it seemed that it would benefit everyone and certainly would benefit Hickory if they did the right thing.

Alderman Freeman commented right, but a thief does not want to pay you back from what they steal from you.

Alderman Wood asked what the timeline was on requesting an IBT? Does it have to be an immediate, he did not know what immediate might mean, the definition of that, but what was the timeframe of needing the water before they could apply? Did he know that?

Mr. Starr thought that was more of a function of the regulation in terms of they had a limit of 33 million gallons per day, and they could not exceed that limit. They were applying before they reached that limit. Under North Carolina law, once you exceed, he thought it was 2 million gallons per day, then you have to apply for a permit. If you were under 2 million gallons per day, you do not have to get a permit to transfer water across a river basin. Think of it like it just would not make sense to build a water treatment plant if you were moving 200,000 gallons across a ridgeline, for example.

Alderman Wood had a question for City Manager Warren Wood. What prevents them from requesting a treatment permit for “x” millions of gallons in preparation for 2050, since they were already preparing for the capital investment of that. Could they get that done before this IBT happens?

City Manager Warren Wood replied no.

Alderman Wood responded that was not the answer he wanted.

City Manager Warren Wood commented to put the numbers in perspective, they have a 33 million gallon a day IBT. They were asking for another 30. That was 63 million. Do not forget Concord's got their 10 million. That was 73 million. Hickory has a 32 million gallon a day plant doing 15 million. Every drop that comes out of the Catawba that goes into another river basin hurts their ability to get additional capacity withdrawal out of the river, eventually out of the lake, eventually. They knew that was going to happen. It was just that they were not there now, but we know in 25 years they were going to be there and that was what they were planning for. But it may prohibit their ability to get everything they need.

Mr. Starr commented that was their concern, that at some point these IBTs add up and Hickory or one of the other communities gets denied its application to expand its water treatment plant because a regulatory agency says Charlotte's already transferring too much water out they could not allow any more permits.

Alderwoman Williams commented that they talked about it. The question about the capacity and why they were asking for this. It was for their future growth and their development and so they could curtail some of it to accommodate their current water needs or even just a little more. But they were really looking at pulling from others so they could grow and deplete us.

Alderman Wood commented that it scares him that they were sitting here planning for 2050 and they could be saving money for a plant that they could not utilize because they could not get the water out. That was concerning.

Alderman Seaver commented back in 1998 they should have been planning for 2020.

Mayor Guess commented that Mr. Starr's knowledge of this had grown, he could tell, from the beginning, and they really appreciated his leadership, and the COG, and everybody that was involved because obviously this was going to be a process that they were not going to have any results or answers to anytime soon. They greatly appreciate his in-depth knowledge and bringing them up to speed on everything and continuing to work with them and partnering with them, not only with them, but with the other municipalities that this affects as well. He did not expect any answers to this anytime soon. But they greatly appreciated the knowledge that he had pertaining to this and the partnership.

Mr. Starr thanked Council for the partnership and support on it.

V. Persons Requesting to Be Heard

Mayor Guess noted that Alderwoman Dula was absent as she was under the weather tonight and unable to be present.

VI. Approval of Minutes

A. Regular Meeting of December 16, 2025.

Alderwoman Patton moved, seconded by Alderman Seaver that the Minutes of December 16, 2025 be approved. The motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderwoman Patton moved, seconded by Alderwoman Williams that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

A. Budget Revision Number 9. (First Reading Vote: Unanimous)

VIII. Consent Agenda: All items below will be enacted by vote of City Council. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderwoman Patton moved, seconded by Alderman Freeman approval of the Consent Agenda. The motion carried unanimously.

A. Approved Applying for the Bipartisan Infrastructure Law – Airport Terminals Program in the Amount of $2,000,000 with a Five Percent Local Match.

Staff requests Council's approval to apply for the Federal Aviation Administration's Airport Terminals Program funded by the Bipartisan Infrastructure Law. Five billion dollars has been allocated over five years to provide competitive grants for airport terminal development projects that address the aging infrastructure of the nation's airports. These grants will fund safe, sustainable, and accessible airport terminals. Staff wish to apply for $2,000,000 in grant funding for renovations and improvements at the Hickory Regional Airport Phil C. Yount Terminal. As outlined in the Hickory Regional Airport Master Plan, the City wishes to improve the current terminal with the understanding that there may be future opportunities to reinstitute passenger service at the Hickory Regional Airport. Staff are currently working with the Airport's engineering firm, Talbert, Bright, and Ellington, to determine the scope and cost of these improvements. This is a project deemed necessary for the overall benefit of Hickory Regional Airport, including future growth and expansion of private, charter, and freight services, as well as possible future commercial services. The grant application requires a 5% local match. Staff recommends Council's approval of the City's application for the Bipartisan Infrastructure Law—Airport Terminals Program of $2,000,000 with a 5% local match.

B. Approved a Contract with RG Tenney Electric, Inc. in the Amount of $640,595.80 for Runway Lighting Rehabilitation.

Staff request City Council's approval of the construction contract with RG Tenney Electric, Inc. for the Runway Lighting Rehabilitation project. Council previously agreed to accept Federal funds via Grant 36237.66.10.1 in the amount of $750,000, with a local share of $51,143. Additionally, North Carolina Department of Transportation (NCDOT) agreed to provide $85,444 in State aid funding towards the completion of the project. Total project cost is $886,587. The contract amount for RG Tenney Electric, Inc. is $640,595.80. This

includes an increase of $2,176 due to a bid expiration increase. Hickory Regional Airport's current lighting system is dated, inefficient and costly in repairs. This grant will allow for a complete replacement of runway lighting, associated runway signs and precision approach path indicator (PAPI) to modern LED systems, providing for savings in energy consumption and repair cost. This project will assist in the continuation of the airfield improvement program as recommended by the Airport's Task Force. Staff recommends approval of the contract with RG Tenney Electric, Inc. in the amount of $640,595.80.

C. Approved Applying for the 2027 Urgent Repair Program (URP27) through the North Carolina Housing Finance Agency (NCHFA).

Staff requests approval to apply for 2027 Urgent Repair Program (URP27) through the North Carolina Housing Finance Agency (NCHFA). The Urgent Repair Program provides funding in the form of an interest-free, deferred, forgivable loan to low and extremely low-income homeowners with special needs at a maximum of $15,000 per dwelling unit. The City has applied for these funds numerous times in recent years. If approved at least ten (10) homeowners will receive home repairs through the 2025-2026 fiscal year. Staff plans to apply for $165,000 of funding through the program. The City of Hickory will provide $5,000 in matching funds. This is available from program income that was received through the former Rental Rehabilitation Program. The Urgent Repair Program funds will be used to supplement the City's Community Development Block Grant Housing Rehabilitation Loan Program, which generally works on larger projects with families that have slightly higher incomes. Staff will prepare an application that incorporates program requirements, applicant eligibility standards, and program capabilities. Upon approval by City Council, the application will be submitted with the required $75 application fee to the NCHFA. Staff recommend City Council to authorize staff to apply for the 2027 Urgent Repair Program through the North Carolina Housing Finance Agency.

D. Approved on First Reading Budget Revision Number 10.

ORDINANCE NO. 26-01
BUDGET REVISION NUMBER 10

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2026, and for the duration of the Project Ordinance noted herein.

SECTION 1. To amend the General Fund within the FY 2025-26 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	35,100	-
TOTAL	35,100	-

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous	35,100	-
TOTAL	35,100	-

SECTION 2. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

IX. Items Removed from Consent Agenda – None

X. Informational Items

XI. New Business

A. Public Hearings

B. Departmental Reports

1. Appointments to Boards and Commissions

BUSINESS DEVELOPMENT COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Council Appoints) (Alicia Wilfong Resigned 12-17-25) VACANT

CITIZENS ADVISORY COMMITTEE
(Terms Expiring 6-30; 3-Year Terms) Appointed by City Council
At-Large (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
At-Large (Outside City but within HRPA) (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
African American (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT
Other Minority (Council Appoints) VACANT

Alderman Freeman nominated Brenda Ramseur as an African American Representative on the Community Relations Council.

HICKORY REGIONAL PLANNING COMMISSION
(Term Expiring 6-30; 3-Year Terms with Unlimited Appointments) (Appointed by City Council)
Burke County Representative (Mayor Appoints with Recommendation from Burke County) VACANT

RECYCLING ADVISORY BOARD
(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
Ward 6 (Patton Appoints) VACANT
At-Large (Council Appoints) VACANT
At-Large (Council Appoints) VACANT

SALT BLOCK FOUNDATION
(Terms Expiring 6-30; 2-Year Terms) (Appointed by City Council
Hickory Representative (Council Appoints)
(Unexpired Term of David Zagaroli)

YOUTH COUNCIL
(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Youth Council Applicant Review Committee Recommends the Following Appointments:

Homeschool Representative VACANT

Alderman Freeman moved seconded by Mayor Guess approval of the above nomination. The motion carried unanimously.

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

City Manager Warren Wood advised that Assistant City Manager Rick Beasley, after decades of service to multiple jurisdictions and Appalachian State announced his retirement. He had been with the City since 2018, working on nine years. His wife begged him to rescind that retirement paperwork, he was kidding. They appreciated Rick. The things that he has done and accomplished here. He had two more months with them. The City Walk out here more than likely would not have happened without him and the work that he and some others have done on that, a lot of the contacts he was able to make. That project was in jeopardy early on, but Rick did his magic.

Mayor Guess interjected that he literally got it back on track.

City Manager Warren Wood commented that it was just one example. He has done a lot of great things, and he makes everybody around him better. He never met a stranger, and they had him for two more months. He and Diana, his wife, were going to stay in Hickory, which was great. They were fortunate to still have him. Thank you, Rick, and he would thank him again before it was over with.

Mayor Guess commented they would have many more opportunities to give him accolades between now and February 28th. He was sure there would be a lot more opportunities, but they were going to miss his smiling face.

Alderman Wood wanted to circle back to the GHTA. Years ago, back in the dark ages when he was on Parks and Recreation, he had the privilege of working with the GHTA when Hickory City Park looked a lot different than it does today. He was sure everybody here remembers, but it was an eyesore at best. Working with them was just a fantastic experience and what they had done out

there was commendable. He thanked them for everything they had done with that park, and for being such good partners with the City.

Alderman Freeman gave a shout out to the staff, Mary Stein and Chaplain Stein over at the Catawba Correctional Center. Yesterday, Alderman Freeman, the Mayor, and Alderwoman Dula was there for a very exceptional program that they were doing. That was a corner of the community that they should never overlook. Those inmates were in a program that was called New Leash on Life. They were teamed up with shelter dogs. Those dogs are almost close to being euthanized. The inmates were learning how to train dogs. They were at a graduation program yesterday where these dogs were doing 20 - 30 tricks. They were all trained by inmates to show them that they could have a second chance in life. He wanted to certainly give them a shout out and say, job well done.

Mayor Guess commented they do that in a period of six weeks. One dog in particular that they demonstrated yesterday was deemed untrainable. And to see what that dog did yesterday in the demonstration it was unbelievable. And obviously, it serves more than that purpose. But then the dog goes with a different family, gets adopted. They would get a new dog, and for six weeks do the same thing. But those dogs were on their way to their new home.

Alderman Freeman commented they come in as wild as they could be, and after about six weeks, they were fully trained and ready to be adopted. He certainly wanted to lift that program up.

Alderman Seaver asked what kind of treats did they use for those dogs?

Alderman Freeman did not know, they did not put it in his mouth.

Mayor Guess commented on seeing not only the difference in the animal, but the difference in the person. It was really touching.

XIV. There being no further business, the meeting adjourned at 6:49 p.m.

_____
Mayor

_____
City Clerk

COUNCIL AGENDA MEMOS

To: City Manager's Office

From: Will Hamblin, Public Utilities Director

Contact Person: Will Hamblin, Public Utilities Director

Date: January 20, 2026

Re: Lyle Creek Sewer Construction Project Gravity Sewer, Change Order #3

REQUEST

Staff requests Council approval of Change Order #3 with Buckeye Bridge, for a contract deduction in the amount of $972,309.91 for the Lyle Creek Gravity Sewer Project.

BACKGROUND

In 2018, Council approved a contract with the City of Claremont for treatment of their wastewater. The City of Claremont purchased the right to treat 450,000 gallons per day at a cost of $1,860,000.00. The contract also provides Claremont the option to purchase an additional 50,000-gallon increment of treatment (right to treat) capacity. Contract for Right to Treat is valid for a minimum of 20 years with 5-year review periods and renewals. This agreement will require both the City of Claremont and the City of Hickory to install additional infrastructure to transfer the wastewater to the Hickory-Catawba Wastewater Treatment Facility.

This project was advertised and bid on May 25, 2022, consisting of construction of approximately 7,500 LF of 8-inch and 24-inch gravity sewer line, manholes, and appurtenances including creek crossings and linear bores, demolition of an existing sanitary sewer pump station, and connection to an existing manhole to connect the City of Claremont sewer system to the City of Hickory sewer system. The City received 5 competitive bids and Buckeye Bridge, LLC was the low bidder.

ANALYSIS

Change Order #3 accounts for as-built quantities and will serve as the final Change Order to zero out the remaining line items not being constructed/billed as part of this project. The over and under runs of existing line items total a deduct of $972,309.91.

RECOMMENDATION

Staff recommends Council approval of Change Order #3 with Buckeye Bridge, for a contract deduction in the amount of $972,309.91 for the Lyle Creek Gravity Sewer Project.

BUDGET ANALYSIS:

Budgetary Action Is a Budget Amendment required?	Yes	No
	☐	☒

LIST THE EXPENDITURE CODE:

Project#: 83305

Reviewed by:

Will Hamblin Initiating Department Head	01/06/2026 Date	Asst. City Manager Yaidee Fox	1/12/26 Date
Asst. City Manager Rodney Miller	1/12/26 Date	Asst. City Manager, R. Beasley	1/13/26 Date
Finance Officer, Kari Dunlap	1/13/26 Date	Deputy Finance Officer, Cameron McHargue	1-13-26 Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

_____
City Manager, Warren Wood

_____
Date

Exhibit A

Change Order No. Three

Date of Issuance: December 9, 2025 Effective Date: December 9, 2025

Project: Lyle Creek and Pump Station – Division II	Owner: City of Hickory	Owner's Contract No.:
Contract: Lyle Creek and Pump Station – Division II		Date of Contract: 10/11/2022
Contractor: Buckeye Bridge LLC		Engineer's Project No.: 18.00362

The Contract Documents are modified as follows upon execution of this Change Order:

Description: Decrease to the total contract amount to adjust for final installed quantities and establish the final contract amount (lump sum decrease of $972,309.91)

Attachments (list documents supporting change):
McGill Associates' Final Change Order Summary

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price:	Original Contract Times: ☐ Working ☒ Calendar days
$ 5,122,839.00	Substantial completion (days or date): 330
	Ready for final payment (days or date): 360
[Increase] [~~Decrease~~] from previously approved Change Orders No. 0 to No. 2:	[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 2:
	Substantial completion (days): 0
$ 70,392.65	Ready for final payment (days): 0
Contract Price prior to this Change Order:	Contract Times prior to this Change Order:
	Substantial completion (days or date): 330
$ 5,193,231.65	Ready for final payment (days or date): 360
[~~Increase~~] [Decrease] of this Change Order:	[Increase] [~~Decrease~~] of this Change Order:
	Substantial completion (days or date): 0
$ 972,309.91 .	Ready for final payment (days or date): 0
Contract Price incorporating this Change Order:	Contract Times with all approved Change Orders:
	Substantial completion (days or date): 330
$ 4,220,921.74 .	Ready for final payment (days or date): 360

RECOMMENDED:	ACCEPTED:	ACCEPTED:
Engineer: Adam Waldroup	Owner:	Contractor: Buckeye Bridge LLC
Print: Adam Waldroup	Print:	Print: Shane W. Hulbert
Date: 12/10/25	Date:	Date: 12/9/2025
Approved by Funding Agency (if applicable):		Date:

City of Hickory
Buckeye Bridge
FINAL CHANGE ORDER SUMMARY

No	Description	Bid Quantity	Unit	Unit Bid Amount	Contract Value	Total Units Installed	Under/Over Runs	Unit Bid Items Adjustment	Final Contract Value
1	Mobilization	1.00	LS	$63,795.00	$63,795.00	1.00	0	$0.00	$63,795.00
2	24" DIP Sanitary Sewer	7,475.00	LF	$237.00	$1,771,575.00	7444.69	-30	$7,183.47	$1,764,391.53
3	8" DIP Sanitary Sewer	20.00	LF	$150.00	$3,000.00	24.50	5	$675.00	$3,675.00
4	36" Dia. X 0.375" Wall Thickness Steel	130.00	LF	$4,031.00	$524,030.00	30.00	-100	$403,100.00	$120,930.00
5	36" Dia. X 0.375" Wall Thickness Steel	130.00	LF	$1,470.00	$191,100.00	110.00	-20	$29,400.00	$161,700.00
6	36" Dia. X 0.562" Wall Thickness Steel	350.00	LF	$4,255.00	$1,489,250.00	330.00	-20	$85,100.00	$1,404,150.00
7	36" Dia. X 0.562" Wall Thickness Steel	350.00	LF	$1,479.00	$517,650.00	10.00	-340	$502,860.00	$14,790.00
8	Creek Crossing	1.00	LS	$4,128.00	$4,128.00	1.00	0	$0.00	$4,128.00
9	Elevated Stream Crossing	1.00	LS	$5,612.00	$5,612.00	1.00	0	$0.00	$5,612.00
10	Elevated Creek Crossing including appr	1.00	LS	$105,433.00	$105,433.00	1.00	0	$0.00	$105,433.00
11	5' Dia. Sanitary Sewer Manhole w/ Wate	22.00	EA	$6,458.00	$142,076.00	27.00	5	$32,290.00	$174,366.00
12	5' Dia. Sanitary Sewer Manhole w/ Wate	9.00	EA	$8,200.00	$73,800.00	10.00	1	$8,200.00	$82,000.00
13	Connect Proposed 24" DIP Sewer Line	1.00	LS	$7,586.00	$7,586.00	1.00	0	$0.00	$7,586.00
14	Modify 4' Dia. Manhole, Plug Outlet, Rel	1.00	LS	$1,233.00	$1,233.00	1.00	0	$0.00	$1,233.00
15	Demolish Existing Catawba Sanitary Se	1.00	LS	$22,791.00	$22,791.00	1.00	0	$0.00	$22,791.00
16	Silt Fence	8,400.00	LF	$3.50	$29,400.00	3511.00	-4889	$17,111.50	$12,288.50
17	Miscellaneous CABC	500.00	TONS	$43.00	$21,500.00	490.62	-9	$403.34	$21,096.66
18	#57 Washed Stone	500.00	TONS	$49.00	$24,500.00	251.13	-249	$12,194.63	$12,305.37
19	Washed Stone Undercut, for wet conditi	2,000.00	LF	$8.30	$16,600.00	10194.27	8194	$68,012.44	$84,612.44
20	Miscellaneous Concrete (unreinforced)	60.00	CY	$308.00	$18,480.00	0.00	-60	$18,480.00	$0.00
21	Rock Excavation	500.00	CY	$123.00	$61,500.00	290.85	-209	$25,725.45	$35,774.55
22	Select Backfill	500.00	CY	$55.60	$27,800.00	860.99	361	$20,071.04	$47,871.04
23	Change Order One	0.00	LS	-$71,000.00	$0.00	1.00	1	$71,000.00	-$71,000.00
24	Change Order Two	0.00	LS	$0.00	$0.00	0.00	0	$0.00	$0.00
25	Ductile Iron Pipe Delv and Relocate	0.00	LS	$15,629.91	$0.00	1.00	1	$15,629.91	$15,629.91
26	Odor Control Units for Vents 7EA	0.00	LS	$30,393.60	$0.00	1.00	1	$30,393.60	$30,393.60
27	Vents - Increase due to MH Relocation	0.00	LS	$5,067.70	$0.00	1.00	1	$5,067.70	$5,067.70
28	Duke Power Relocation of Sewer	0.00	LS	$73,291.77	$0.00	1.00	1	$73,291.77	$73,291.77
29	Additional Survey Due to Line Relocatio	0.00	LS	$2,767.67	$0.00	1.00	1	$2,767.67	$2,767.67
30	Helene Pier and Bank Repair	0.00		$14,242.00	$0.00	1.00	1	$14,242.00	$14,242.00
				Sub-Total	**$5,122,839.00**			**Sub-Total**	**$4,220,921.74**

Total Original Contract Amount	**$5,122,839.00**
Total Executed Change Orders	**$70,392.65**
Total Adjusted Contract Amount	**$5,193,231.65**
Total Earned by Contractor	**$4,220,921.74**
Net Change By Final Change Order	**-$972,309.91**

BUDGET REVISION # 11

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2026 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the General Fund within the FY 2025-26 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture & Recreation	21,351	
Public Safety	1,000	1,000
TOTAL	22,351	1,000

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	20,068	
Miscellaneous	1,283	
Restricted Intergovernmental		1,000
Other Financing Sources	1,000	
TOTAL	22,351	1,000

SECTION 2. To amend the Solid Waste Fund within the FY 2025-26 Budget Ordinance, the expenditures shall be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Environmental Protection	56,000	25,000
TOTAL	56,000	25,000

To provide funding for the above, the Solid Waste Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	31,000	
TOTAL	31,000	-

SECTION 3 Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

Adopted this _____ day of _____, 2026

_____
Mayor

_____
Clerk

5

COUNCIL AGENDA MEMOS

To: **City Manager's Office**

From: Will Hamblin, Public Utilities Director

Contact Person: Steve Miller, Public Works Director and Will Hamblin, Public Utilities Director

Date: **January 20, 2026**

Re: **Code of Ordinance Update - Chapter 29: Sidewalks and Streets and Chapter 31: Water and Sewers**

REQUEST

Staff requests approval of proposed modifications and additions to the City of Hickory Code of Ordinances Chapters 29 and 31.

BACKGROUND

The City of Hickory owns, and is responsible to maintain, over 480 lane miles of roadway. This equates to an asset value of $2.44 Billion. Ensuring proper repairs are made when construction takes place within the roadway is essential to maintain this asset.

The City of Hickory owns and operates a Public Utility system consisting of potable water and sanitary sewer. The utility system is extended as needed to serve the growing service area. Connections are made when in-fill development connects to existing utilities and as the system is extended. Extensions can be made by private entities and dedicated to the City or by the City of Hickory.

ANALYSIS

To maximize the life cycle of Hickory's roadways, proper repair methods are required after cutting into existing roadways. City of Hickory will have the ability to approve permits prior to construction, require warranties, inspect repairs, and to enforce civil penalties.

Extensions and connections are made to the City of Hickory's utility system at various times. Prior to connections to existing utilities permits, inspections, and fees are required from the City of Hickory. Prior to the extension of the utility system approvals, permits, inspections, and fees are required from the City of Hickory and NCDEQ. After approval and fees, connections to the utility system shall be made by City of Hickory or a licensed utility contractor. When a property is subdivided and results in the construction of five (5) or more dwelling units, the connections shall be made by the property owner at the owner's expense by a licensed utility contractor.

RECOMMENDATION

Staff requests approval of proposed modifications and additions to the City of Hickory Code of Ordinances Chapters 29 and 31.

BUDGET ANALYSIS:

Budgetary Action
Is a Budget Amendment required?

Yes	No
☐	☐

LIST THE EXPENDITURE CODE:

Reviewed by:

Will Hamblin Initiating Department Head	1/8/2026 Date	Yaidee Fox Asst. City Manager Yaidee Fox	1/12/26 Date
Rodney Miller Asst. City Manager Rodney Miller	1/14/26 Date	R. Beasley Asst. City Manager, R. Beasley	1/13/26 Date
Kari Dunlap Finance Officer, Kari Dunlap	1/13/26 Date	Cameron McHargue Deputy Finance Officer, Cameron McHargue	1-13-26 Date

Recommended for approval and placement on _____ Council agenda (as Consent, Public Hearing, Informational, Department Report, etc).

_____
City Manager, W. Wood

_____
Date

ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE CITY OF HICKORY CODE OF ORDINANCES CHAPTER 29, ARTICLE III AND CHAPTER 31, ARTICLE I

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-312(a) the City of Hickory is authorized to acquire, construct, establish, enlarge, improve, maintain, own, operate, and contract for the operation of any or all of the public enterprises including sewer and water; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-312(a) the City of Hickory is authorized to protect and regulate any public enterprise system belonging to or operated by it by adequate and reasonable rules adopted by ordinance; and

WHEREAS, pursuant to N.C. Gen. Stat. § 160A-296, *et seq.*, the City of Hickory has general authority over all public streets, sidewalks, alleys, bridges, and other ways of public passage within its corporate limits except and to the extent that authority and control is vested in North Carolina Board of Transportation; and

WHEREAS, City Council has determined that it is necessary and will serve the public interest to amend the following provision of the City of Hickory Code of Ordinances ("Code") to protect and regulate its public enterprise system.

NOW, THEREFORE, BE IT ORDAINED BY CITY COUNCIL OF THE CITY OF HICKORY THAT:

1. Section 29-81 of the Code titled "Permit" shall be amended to read as follows:

Sec. 29-81. – Permit.

(a) Prior to the start of construction of any public street, paving, curb and gutter, sidewalks, storm drainage structure, water or sewer facility, or other public improvements within the planning and zoning jurisdiction of the City of Hickory that will ultimately be maintained by the City of Hickory, and also prior to the cutting of any pavement, curb or sidewalk in an existing public street or right of way, the person intending to do so shall obtain a construction permit from the City Manager. A construction permit shall be issued only after (1) plans for the construction, construction cost estimates, and other information required by the City Manager have been submitted to the City Manager, (2) the City Manager has approved said plans, (3) the City Manager has collected the appropriate fees set forth in the most recent Fee Schedule approved by City Council, (4) the applicant has executed the necessary encroachment agreements; and (5) the City Manager has received the appropriate bonds.

(b) The City Manager shall have the right to suspend or revoke any construction permit if the City Manager determines that the conditions, requirements or standards concerning said permit or the requirements contained in this article are not being met, and all work shall stop until the City Manager reinstates the permit.

(c) A contractor working on a public street shall have a valid license and shall be required to have a certificate of public liability insurance of three hundred thousand dollars ($300,000.00) on file in the City Clerk's office.

(d) Whenever any person shall do or undertake to do any of the things set forth in this section for which a permit is required, it shall be the duty of such person to use due and reasonable care to protect from harm and damage all persons or property who or which may be using any street, sidewalk or other public place where such activity is in progress, and to that end such person shall erect and maintain suitable barricades, signs, lights, flares, and other appropriate means of protection and other appropriate warning devices at, near, or around the place or places where such work or activity is in progress.

2. Section 29-82 of the Code titled "Bond" shall be amended to read as follows:

Sec. 29-82. – Bond; warranty.

(a) Prior to the start of construction of any public street, paving, curb and gutter, sidewalks, storm drainage structure, water or sewer facility, or other public improvements within the planning and zoning jurisdiction of the City of Hickory that will ultimately be maintained by the City of Hickory, and also prior to the cutting of any pavement, curb or sidewalk in an existing public street or right of way, the person intending to do so shall post a performance bond in the amount of one hundred twenty-five (125) percent of the estimated construction cost. A performance bond shall be posted prior to issuance of a construction permit.

(b) All completed construction in a public street is subject to a one-year warranty period. A warranty bond may be required in an amount prescribed by the city to guarantee the completion of work in accordance with all rules and regulations.

(c) In addition, all bond requirements of the City's subdivision, zoning and other land use management ordinances and standards shall be complied with.

(d) If the total cost of the construction is less than ten thousand dollars ($10,000.00), the City Manager may waive all performance bond and

warranty bond requirements if the contractor has no outstanding obligations to the City resulting from previous construction projects and has no prior history of failure to comply with City requirements. This waiver provision cannot be used when bonds are required for plat recording or special use conditions.

(e) Bonds may be cash, certified check, bank letter of credit, savings and loan letter of credit, or a surety bond written on a company licensed by the N.C. Department of Insurance and granted fidelity and surety authority in accord with state law.

3. Section 29-85 of the Code titled "Restoration of street or sidewalk to previous condition" shall be amended to read as follows:

Sec. 29-85. – Restoration; indemnity

(a) Whenever any person shall make any excavation or opening of any street or sidewalk or other public place in the City for the purpose of laying pipe, wires or other apparatus, or for any other purpose, it shall be the duty of such person making such excavation or opening to refill such excavation or opening on completion of the purposes for which the excavation or opening was made so as to restore it to essentially the same condition that existed prior to the excavation or opening and such refilling shall be done in accordance with the standards and specifications set forth in the Hickory Engineering Manual of Practice.

(b) Any person obtaining the permit provided for in section 29-81 agrees, as a condition of the issuance of said permit, to indemnify and hold harmless the City, its officers, councilmen, and employees from any claims or expenses, including attorney's fees for bodily injury or property damage for accidents or occurrences arising out of the person's operations, excluding only the liability of the City for its sole negligence except in connection with general supervision of work performed by said person.

4. Section 29-86 of the Code titled "Inspection of and specifications for work" shall be amended to read as follows:

Sec. 29-86. – Inspection by city engineer.

All work done and performed in opening or excavating and refilling and repairing any street or sidewalk opened or excavated under this article shall be subject to the inspection of the City Engineer or their assistants. The work shall be done in accordance with specifications outlined in the Hickory Engineering Manual of Practice and shall not be considered as completed, nor shall such licensee or permittee be released from their liability to restore

the street or sidewalk to the condition in which it was before such work or excavation was commenced, until its final condition is approved by the City Engineer.

5. Section 29-87 shall be added to the Code to read as follows:

Sec. 29-87. – Repairs made by city.

The City may, at its option, make any or all repairs to the street under this article, including the backfilling of the opening. The applicant will be charged for any work performed by the City.

6. Section 29-88 shall be added to the Code to read as follows:

Sec. 29-88. – Administration and enforcement.

(a) This article shall be administered and enforced by the City Manager.

(b) A violation of this article shall not constitute a misdemeanor or infraction punishable under G.S. 14-4. Any person who violates this article may be subject to all civil and equitable remedies stated in G.S. 160A-175. Notwithstanding the foregoing, the violation of a stop work order issued pursuant to section 29-81(2) shall constitute a misdemeanor punishable under G.S. 14-4.

7. Section 29-89 shall be added to the Code to read as follows:

Sec. 29-89. – Civil Penalties.

Any person who violates this article shall be subject to all civil penalties and equitable remedies of this section and as stated in G.S. 160A-175.

(1) Civil Penalties. In addition to other remedies provided for herein, the following civil penalties are established:

a. Violation of subsection 29-81(a) $1,000
b. Violation of subsection 29-81(e) $1,000
c. Violation of subsection 29-82(a) $1,000
d. Violation of subsection 29-84 ..... $1,000
e. Violation of subsection 29-85(a) $1,000

Civil penalties authorized by this section may be assessed against the owner on whose behalf work is being performed and against the contractor or subcontractor who is performing such work. Each day's continuing violation shall be a separate and distinct offense for purposes of all remedies. Billings not paid within 30 days will be assessed a late fee of one percent of the unpaid balance per month.

(2) Stop Work Order. The City may issue a stop work order to any person or entity performing work in the public way when there is a violation of this section. A stop work order shall be in writing, state the work to be stopped, state the reasons therefore, and state the conditions under which the work may be resumed.

a. Any owner or contractor found to be performing work within the public right-of-way without a required permit or other required authorization shall subject the offender to a stop work order for the duration of seven calendar days from the date of issuance of the stop work order. This duration may be shortened by the Public Works Director or their designee if the offender immediately makes arrangements to obtain the required authorization.

b. Violations beyond the first for any owner or contractor found to be performing work within the public right-of-way without a required permit or other required authorization shall subject the offender to a stop work order for a duration of 30 calendar days from the date of issuance of the stop work order.

c. Notwithstanding the foregoing, the violation of a stop work order issued pursuant to this subsection shall constitute a misdemeanor punishable under G.S. 14-4.

8. Section 29-90 shall be added to the Code to read as follows:

Sec. 29-90. – Appeals.

(a) Any person whose work permit application has been denied or who has been assessed a civil penalty or ordered to stop work may appeal such decision within ten days after notice of such denial or civil penalty assessment. Any person who has been charged repair and restoration costs pursuant to section 29-87 may appeal such decision within ten days after the City invoices such charge. Appeals shall be heard by the City Manager or the City Manager's designee who shall not be an employee of the Public Works Department. The appellant shall have the right to present evidence at said hearing.

(b) A ruling on appeal is subject to review in the Superior Court of Catawba County by proceedings in the nature of certiorari. Any petition for writ of certiorari for review shall be filed with the clerk of superior court within 30 days after notice of the decision has been sent to the appellant.

9. Section 31-1 of the Code titled "Definitions" shall be amended to add the following definitions:

Connection or connect. Connection or connect shall mean a link (or to cause a link) between any structure and the City's utility system that causes (i) water to be distributed from any City water treatment system to any structure or (ii) sewage to be collected from any structure to any City publicly operated treatment works, notwithstanding any intervening private utility system that may exist.

Sewer service stub. Sewer service stub shall mean any portion of a sewer service pipe which connects to a City sewer main and extends from a sewer main to the boundary of any public easement or right-of-way with private property.

Utility system. Utility system shall mean and include any City of Hickory owned or operated treatment works or water works, pumping stations, storage tanks, water mains, sewer mains and reuse water mains, along with all associated City-owned water service lines (up to the meter box), City-owned sewer lines (up to the property line clean out), pipes, valves, valve boxes, hydrants, water and sewer service stubs, meters and appurtenant facilities, fixtures, equipment, and apparatus connected to and forming a part of the main water, sewer, or reuse water pipe lines and systems. The utility system also includes utility lines dedicated to and accepted by the City as public including main distribution pipes, main collection pipes, valves, hydrants and other apparatus, fixtures and equipment forming a part of the lines laid in public streets, roads, highways, alleys and any other public right-of-way or across City utility, water or sanitary sewer easements on private property, but shall not include services leading from mains to building connections on private property and shall not include the water, sewer or reuse water lines within any residences or other privately owned building or structure.

Water service stub. Water service stub shall mean any portion of a water service pipe which connects to a City water main and extends from a water main to and including the water meter.

10. Section 31-6 of the Code titled "Permits for connections, generally" shall be amended to read as follows:

Sec. 31-6. – Permits for connections, generally.

(a) It shall be unlawful to make any connection to the City's water system or in any way take water from any City water line, without first applying for and receiving a permit from the City.

(b) It shall be unlawful to make any sewer connection to the City's sewer system without first applying for and receiving a permit from the City.

(c) Any person desiring a water and sewer connection to the utility system shall obtain a permit from the Public Utilities Department and pay the appropriate fees set forth in the most recent Fee Schedule approved by City Council.

(d) In addition to any other remedy available in the code, violation of this section is also a misdemeanor.

11. Section 31-9 of the Code titled "Connection charges" shall be amended to read as follows:

Sec. 31-9. – Charges for making service connections

(a) System development fees for all new connections to the City-owned utility system shall be set by City Council. The fees for replacement of an existing meter with a meter of a larger size shall be determined by subtracting the fees chargeable for the old meter size from the fees chargeable for the new meter size.

(b) System development fees shall be payable at the time an application for service connection is filed. The fees collected shall be earmarked for and applied to the costs of constructing new water supply, water treatment, and wastewater treatment facilities and expansions to existing facilities.

12. Section 31-10 of the Code titled "City to tap lines and extend service pipes to curbing shall be amended to read as follows:

Sec. 31-10. – Connections to the utility system

a) When the subdivision or development of property results in, or is planned to result in, the construction of five (5) of more dwelling units, all water stubs and sewer stubs shall be made by the property owner at the owner's expense by a licensed utility contractor pursuant to this code and the Hickory Engineering Manual of Practice.

b) Unless otherwise agreed by the Utilities Director, all water stubs and sewer service stubs required to replace, upsize or relocate an existing water or sewer stub at the request of the owner shall be installed and connections to the utility system made by the City or contractors working for the City after payment to the City of the appropriate tap fee set forth in the Fee Schedule approved by City Council.

c) Except as provided in subsections (a) and (b) above, all water stubs and sewer service stubs shall be installed and connections to the utility system made either (1) by the City or contractors working for the City

only after payment to the City of the appropriate tap fee set forth in the Fee Schedule; or (2) at the owner's expense by a licensed utility contractor pursuant to this code and the Hickory Engineering Manual of Practice.

13. Section 31-24 of the Code shall be added to read as follows:

Sec. 31-24. – Extensions of the Utility System; Application.

Any person owning or proposing to construct any utility line or system inside or outside the corporate limits of the City which it desires to have connected with the City-owned utility system shall make written application for permission to make such connections upon forms furnished by the Department of Public Utilities. The application must contain a preliminary utility plan which shall be prepared by a professional engineer registered to practice in the State of North Carolina. The application must also be accompanied by a map made by a professional engineer or registered land surveyor authorized to practice in the State, which map shall accurately show the property to be served with water and/or sewer service, and, if within any real estate development or subdivision, the map shall show the property lines and subdivision of lots and the layout of streets therein. An extension permit application fee and, if applicable, pump station permit fee as set forth in the Fee Schedule shall paid by the developer at the time engineering plans are submitted for review.

14. Section 31-25 of the Code shall be added to read as follows:

Sec. 31-25. – Extensions of the Utility System; Approval

All utility extensions shall be subject to approval of the City Manager or their designee. No application will be considered by the City Manager under the provisions of this article until the Director of Public Utilities or their designee has reviewed the size, location, character and quality of all pipes, stubs, valves, valve boxes, hydrants and other fixtures, equipment and apparatus to be laid and constructed and to be connected to the City-owned utility system. The Director of Public Utilities shall have authority to recommend the approval or disapproval such application and to indicate reasonable conditions and requirements for approval, and to recommend any measures that may be requisite or necessary to protect the interests of the City or to prevent improper connections being made with the utility system of the City.

After action has been taken by the Director of Public Utilities or their designee (and by the Planning Commission, if required) and recommendations have been made to the City Manager, the City Manager shall consider and act upon the question of approving or disapproving the application.

After approval by the City Manager or their designee, detailed construction plans of the utility extension, including pipes, stubs, valves, valve boxes, hydrants, and other fixtures, equipment and apparatus, shall be submitted to the Department of Public Utilities for review and approval. The construction plans shall be accompanied by any necessary Federal, State, County and City permit applications. After the issuance of all required Federal, State, County and City permits, the construction plans shall be resubmitted to the Department of Public Utilities together with the required Federal, State, County and City permits. The construction plans will be signed and approved for construction by the Director of Public Utilities or their designee only after all required Federal, State, County and City permits are obtained.

15. Section 31-26 of the Code shall be added to read as follows:

Sec. 31-26. – Construction without costs to City

After receiving the necessary approvals and permits for the connection of any proposed privately owned utility lines or systems with the City-owned utility system, the applicant at their own cost and expense and without unnecessary delay shall furnish, construct and lay the utility lines or systems as approved without cost or expense to the City.

16. Section 31-27 of the Code shall be added to read as follows:

Sec. 31-27. – Dedication of systems

Before any person, firm or corporation shall connect any privately owned water or sewer lines or systems with any City-owned utility system, such person, firm or corporation shall, by proper written instrument, in consideration of making such connection and the benefits to be derived therefrom, dedicate, give, grant and convey such water or sewer lines or systems to the City. No such connection shall be made with the City-owned utility system without the express approval of the City and the payment of required utility connection and inspection fees, nor shall such connection be effected except by the forces or employees of the City, properly supervised, for which a charge may be made. Should any person, firm or corporation connect any privately owned water or sewer lines or systems with any City-owned utility system without first dedicating, giving, granting and conveying same to the City, the act of connecting such privately owned water or sewer lines or systems to the City-owned utility system shall be deemed a dedication, gift, grant and conveyance of such water or sewer line or lines to the City.

17. Section 31-28 of the Code shall be added to read as follows:

Sec. 31-28. – Inspection and approval before connecting.

Upon the completion of the construction and laying of the utility lines or systems for connection to the City-owned utility system, as authorized by this article, and upon inspection and approval thereof by the City, the dedicators shall be permitted to connect such utility lines or systems to the City-owned utility system upon the terms and conditions prescribed by this Code and the Director of Public Utilities.

18. Section 31-29 of the Code shall be added to read as follows:

Sec. 31-29. – Map of systems.

The dedicators shall furnish to the City as-built plans, in formats required by the Director of Public Utilities showing in detail the location and dimensions of all recorded easements, mains, pipes, lines, laterals, stubs, valves, valve boxes, hydrants, and other fixtures, apparatus, and equipment forming a part of the utility lines and systems constructed and dedicated pursuant to this Code, and showing the depth of all pipes and apparatus below the ground level, which map shall be subject to the approval of the Director of Public Utilities or their designee. After such map is approved, there shall be no changes to the map without the written consent of the Director of Public Utilities or their designee.

19. Section 31-30 of the Code shall be added to read as follows:

Sec. 31-30. – Nonliability of City.

The dedicators shall have and assume all risk in the laying, installation, and construction of the utility lines and systems. Dedicators of any portion of the utility system not already subject to a warranty required by this Code or dedicators installing pump stations and appurtenances shall give warranties against any material defect, equipment defect, malfunction, or failure during design conditions for a period of one (1) year from the date of acceptance of such installation. The cost to repair or replace the dedicated utility lines and systems during the warranty period shall be at the sole expense of the dedicator and without cost to the City. Any repair or replacement made during the warranty period by the dedicator, their agent, or their independent contractor shall also be warranted for a one-year period beginning from the date of acceptance of the repair or replacement. A warranty bond may be required in an amount prescribed by the City to guarantee the completion of all repair and replacement work within the one-year warranty period.

20. Section 31-31 of the Code shall be added to read as follows:

Sec. 31-31. – Control by City; fees to City.

All connections by consumers with the utility lines or systems constructed and dedicated pursuant to this article and all services through the lines or systems shall be in accordance with the laws, ordinances, rules, and regulations of and applicable to the City and its Department of Public Utilities, as now in force or as may be enacted, adopted, and amended from time to time. The City shall have complete supervision and control over the lines, systems, taps, and connections so constructed for the purpose of making any and all necessary inspections, turning the utilities on and off, and for any other purposes. The City shall collect all rents, fees and charges from consumers connected with such utility lines and systems for its sole use and benefit without compensation to the dedicators of such lines and systems.

21. Section 31-32 of the Code shall be added to read as follows:

Sec. 31-32. – Assessment; City to share cost of oversized lines.

In the event it is desirable in the opinion of the Director of Public Utilities or their designee to lay a water main larger than required under the Hickory Engineering Manual of Practice or state regulation for the benefit of the City, the City will bear the cost of the difference between the size of main required and the size requested by the Director of Public Utilities or their designee.

22. Should any section or provision of this ordinance be declared invalid or unconstitutional by any court of competent jurisdiction, the declaration shall not affect the validity of this ordinance as a whole or any part thereof that is not specifically declared to be invalid or unconstitutional.

23. This Ordinance shall become effective upon adoption.

ORDAINED BY CITY COUNCIL OF THE CITY OF HICKORY this _____ day of _____, 2026.

CITY OF HICKORY,
a North Carolina Municipal Corporation

[AFFIX SEAL]

ATTEST:

By: _____
Hank Guess, Mayor

_____
Debbie Miller, City Clerk