

Regular Session, January 20, 2026, 7:00 p.m.
Catawba County Board of Commissioners

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The Catawba County Board of Commissioners met in Regular Session on Tuesday, January 20, 2026, at 7:00 p.m., in the Board of Commissioners Meeting Room, 2nd Floor, Catawba County Justice Center, 100 Government Drive, Newton, North Carolina.

Present were Chair Randy Isenhower, Vice-Chair Austin Allran, and Commissioners Robert C. Abernethy Jr., Barbara G. Beatty, and Cole Setzer.

Also present were County Manager Mary S. Furtado, Assistant County Manager Paul Murray, County Attorney Jodi Stewart, Assistant County Attorney Josh Teague, and County Clerk Dale Stiles.

1. Chair Randy Isenhower called the meeting to order at 7:00 p.m., noting a quorum was present.
2. Chair Isenhower led the Pledge of Allegiance.
3. Vice Chair Austin Allran offered the invocation.
4. Commissioner Robert C. Abernethy Jr. made a motion to approve the Minutes from the Board's Regular Meeting and Closed Session of December 15, 2025. The motion carried unanimously.
5. Recognition of Special Guests:
Chair Isenhower welcomed everyone present.
6. Public Comments.
Monica Harker and Jennifer Colato spoke in opposition to the potential school merger. Robin Hernandez spoke in favor of the potential school merger. Michael McRee spoke in favor of the potential school merger and in opposition to removal of the monument at the 1924 Courthouse. Rob Glenn spoke about a potential partnership between Catawba County and the Catawba County Heritage Association through the State of NC Recreational Trails grant program. Kenyon Kelley came forward and requested the monument at the 1924 Courthouse be relocated. Sherrill Watkins came forward and spoke in opposition to removal of the monument. Robert Blake came forward and spoke about healthcare affordability, artificial intelligence, and economic development.
7. Appointments.
Upon a recommendation by Commissioner Setzer that came in the form of a motion which unanimously carried, the Board reappointed Jeremy Lee to a second term and appointed Jeff Barger to a first term to the Agriculture Advisory Board, with term expirations of December 31, 2028.

Upon the recommendation by Chair Isenhower that came in the form of a motion which unanimously carried, the Board appointed / reappointed 36 members to the Catawba County Youth Council. Appointment letters were presented to these appointees.

8. Presentations.

- a. Abigail Dehart, President of the Catawba County Youth Council, and Secretary Saarah Majeed, presented to the Board an update of the Youth Council's activities and upcoming projects.
- b. Chair Isenhower along with the entire Board presented a Proclamation Honoring Retiring Budget & Management Director Jennifer Mace.

9. Public Hearings.

- a. This item was continued from the Board of Commissioners' meeting of December 15th, 2025.

Staff requested the Board of Commissioners hold a public hearing to consider an application submitted by T. Cooper James and Associates to rezone three parcels totaling approximately 17.22 acres from R-20 Residential (R-20) to Planned Development – Conditional Zoning District (PD-CD RZ 2025-05) to allow for a shopping center development at the intersection of Sherrills Ford Road and Mt. Pleasant Road, utilizing the high-density development option (70% built-upon-area) in the Watershed Protection Overlay (WP-O).

The current R-20 Residential district requires a minimum lot size of 20,000 square feet (approx. 1/2 acre) and is considered a high-density "general use" residential district. Predominant uses in this district include single-family homes and agriculture. The request is also within the Watershed Protection Overlay (WP-O) district, which limits the built-upon area in the Lake Norman watershed.

The Planned Development – Conditional Zoning District is an option within the Unified Development Ordinance to allow consideration of certain uses that, because of their nature or scale, have particular impacts to the area. General district standards may not address all the project impacts on the community when more robust standards may be worth considering. Conditional zoning is intended for a firm development proposal with a concept site plan, with all parties voluntarily agreeing to the conditions.

The parcels are located at the intersection of Mt. Pleasant Road and Sherrills Ford Road, specifically 7331 Sherrills Ford Road, and 2389 and 2347 Mt. Pleasant Road. (Parcel Identification Numbers 4608-01-39-1903, 4608-01-39-4797, and 4608-01-39-4451). The project is in the Sherrills Ford Small Area.

The properties depicted as Parcel 1A through 1C on the attached maps are zoned R-20. Parcel 1A is undeveloped, 1B is developed with a single-family dwelling, and 1C is developed with a manufactured home. The surrounding parcels contain the zoning districts and uses described below.

- *North* – Parcels 3-5 are zoned R-20 Residential. Parcel 3 is undeveloped, Parcel 4 is developed with a single-family residence, and Parcel 5 is developed with accessory structure.
- *South* – Parcel 10 is zoned R-20 and is developed with a single-family residence. Parcel 11 is zoned R-40, is undeveloped, and in the present use value program.
- *East* – Parcels 6 – 9 are zoned R-20. Parcel 6 is developed with a single-family residence, and Parcels 7-9 are undeveloped.
- *West* – Parcel 2 is zoned R-20 Residential and is undeveloped.

No pertinent zoning history for these parcels.

The applicant is proposing a shopping center anchored with a grocery store and farm/garden supply store on 17.22 acres with two outparcels for commercial buildings. The concept site plan shows three commercial buildings with a total of 75,000 square feet of commercial space: the largest is 59,000 square feet for the combined grocery and farm/garden supply stores building. The farm/garden supply also has an outdoor

fenced sales area of 19,250 square feet. The two smaller commercial buildings are 7,500 square feet and 8,500 square feet. The total commercial area (buildings and outdoor sales area) is 94,250 square feet.

The project is in the Watershed Protection Overlay, specifically the WS-IV Protected Area, where built-upon area for nonresidential projects is limited to 24% or 36%, depending on the use of curb and gutter. The applicant is also requesting approval for the high-density development option allowing up to 70% built-upon area (BUA) with use of engineered stormwater controls. Two stormwater control measure/ponds are shown on the concept site plan. The total BUA for the conceptual project is 8.32 acres of the entire project area, or 48.3% BUA.

The concept site plan displays 420 parking spaces, the allowed maximum number of parking spaces to serve the 75,000 square feet of commercial development. The floor area ratio (FAR) for Planned Developments is 1:2, meaning that 50% of the site can be occupied with building space and 50% of the lot must not be occupied by a building. The proposed building coverage is under 10% of the site, meeting the FAR standard.

Setbacks along the perimeter of the development meet the PD standards. The Plan illustrates a 50' setback from residentially zoned property and 30' setback from road right-of-way. A 15' landscape buffer is shown within the required setback. Pedestrian facilities are located along Sherrills Ford Road, Mt. Pleasant Road, with access at three locations into the site. A walking trail is noted around the stormwater pond near Sherrills Ford Road.

The applicant proposes brick veneer for the front of the anchor building and painted concrete masonry unit (CMU) block for the side and rear. The farm/garden supply store proposes a 20,000 square foot fenced outdoor display area. All structures must be architecturally consistent with the building elevations submitted with the application. Design elements within the Planned Development include:

- Buildings shall be designed with a consistent architectural theme and color scheme.
- Building height, rhythm, articulation, massing and bulk shall be compatible with the individual site attributes and be compatible with the surrounding neighborhoods.
- Building facades shall contain setback relief and a variety of roof component shapes.

As part of the Condition District request, the applicant has provided a list of uses that will be prohibited in this shopping center. The prohibited uses are denoted with an "X" in the attached table within the applicant's narrative. Most general retail and office uses will be allowed.

The applicant is proposing two pylon signs located at each entrance. The signs are fifteen feet tall with an area of 78 square feet. They will be a multi-tenant signs for all spaces within the project.

T. Copper James and Associates and their design consultant held a community meeting on October 21, 2025. At this meeting, the applicant's team introduced the project to the community. Staff did not attend the community meeting.

Public water is located along Sherrills Ford Road. Public services are unavailable. The development would have to be served by on-site septic systems.

The applicant has begun the process of preparing a Traffic Impact Analysis (TIA) as required by NCDOT for this type of project. Section 44-443.16 of the Unified Development Ordinance requires Planned Developments to install a turn lane along the road frontages, subject to NCDOT approval. This requirement was noted on the concept plan. Once the TIA is complete, reviewed and accepted by NCDOT staff, additional traffic improvements may be required by NCDOT.

Traffic counts north of the site along Sherrills Ford Road were 4,800 average annual daily trips in 2023. Traffic counts on Mt. Pleasant Road south of the project measured 1,800 in 2023.

No new roads are proposed for this project; internal drive aisles and parking lots are designed for circulation within the project. The concept site plan proposes one entrance on Sherrills Ford Road and another on Mt. Pleasant Road. The Comprehensive Transportation Plan recommends minor land widening along Sherrills Ford Road.

The Catawba County Comprehensive Plan was adopted in April 2024. The Future Land Use Map designates these parcels for medium-density residential development at 1.5 dwelling units per acre. In the Sherrills Ford Small Area of the Comprehensive Plan, commercial/mixed use recommendations include:

- Continue the efforts of a "village center" at the Sherrills Ford Road/Hwy. 150 intersection of approximately 750 acres, to include a mixture of commercial, office and mixed residential area.
- Continue the efforts of a "regional commercial center" that may include a diversity of uses such as medical, business park, Class A industrial park, commercial and retail at the intersection of Highway 150 and Highway 16.
- Designate a "highway commercial center" on a smaller scale, at the intersections of Highway 150 and Mt. Pleasant Rd and Highway 16 and Buffalo Shoals Road.
- To serve the surrounding areas with limited commercial services, smaller scale "rural commercial nodes" suggested for intersections of Sherrills Ford and E Bandy's Cross Road, Hudson Chapel Road and Kale Road, and Slanting Bridge Road and Keistler Store Road.

The request is inconsistent with the Future Land Use map and the recommendations for commercial development in the Sherrills Ford Small Area in the Catawba County Comprehensive Plan.

The Planning Board held a public hearing on Monday, November 24, 2025. Seven citizens spoke in opposition to the request. The public shared comments which included concerns about traffic impacts, safety concerns related to site distance, and a tangible shift in development patterns changing the overall nature of the area. The applicant, the applicant's attorney, and the applicant's traffic consultant spoke in support of the request.

Staff did not support the request and the Planning Board voted 9 - 0 not to recommend rezoning approval of the application by T. Copper James and Associates to rezone three parcels totaling 17.22 acres (Parcel Numbers 4608-01-39-1903, 4608-01-39-4797, and 4608-01-39-4451) from R-20 Residential to Planned Development - Conditional District PD-CD) based upon:

1. The properties' proximity to residential districts and uses.
2. The Future Land Use map within the Comprehensive Plan's recommendation for medium density residential development on these parcels.
3. The Comprehensive Plan recommendation within the Sherrills Ford Small Area to focus larger commercial development to the NC Highway 150 and NC 16 Highway corridors and at key intersections.
4. The Comprehensive Plan recommendation within the Sherrills Ford Small Area to focus smaller scale rural commercial nodes at the intersections of Sherrills Ford and E Bandy's Cross Road, Hudson Chapel Road and Kale Road, and Slanting Bridge Road and Keistler Store Road.
5. The 75,000 square feet development would depend on on-site septic and repair area. Should they fail, availability of public sewer, which is approximately 1.5 miles away, is not guaranteed.
6. Per General Statute, rezoning the properties would cause a revision to the comprehensive land use plan (Future Land Use Map) and may cause unintended and unplanned commercial sprawl.

Chair Isenhower opened the public comment period continued from the December 15, 2025 meeting. Jason White, attorney for the applicant came forward and provided a handout packet to the Board, staff and Clerk. Mr. White noted the proposed project is anticipated to service growth. Monica Myers, property owner of the property proposed for rezoning, came forward and spoke in favor of the project, sharing the property's history in her family. Vickie Ludlow and John Shek spoke in opposition to the rezoning due to traffic concerns. Tom James, developer and applicant, and Miles Wright, also associated with the project team, came forward and shared information aimed at addressing the Planning Board's concerns about the project. With no one else coming forward the Chair closed the public hearing.

Commissioner Beatty confirmed the property was suitable for installation of a septic system. Chair Isenhower made a motion to deny the rezoning request and adopt the proposed inconsistency and unreasonableness statement included in the Board's agenda packet. The motion to deny such rezoning carried unanimously.

The following proposed plan inconsistency and unreasonableness statement applies:

**CATAWBA COUNTY BOARD OF COMMISSIONERS
PROPOSED PLAN CONSISTENCY AND REASONABLENESS STATEMENT**

Zoning Amendment Request: To rezone 17.22 acres consisting of three parcels (Parcel Identification Numbers 4608-01-39-1903, 4608-01-39-4797 4608-01-39-4451) owned by William and Monica Myers, and Frank and Myra Blackwell from R-20 Residential within the Watershed Protection Overlay (WP-O) to Planned Development – Conditional District (PD-CD RZ 2025-05) within the WP-O.

The Catawba County Board of Commissioners finds the request to be inconsistent with the Catawba County Comprehensive Plan Future Land Use Map recommendation of medium-density residential use on this parcel.

Pursuant to NCGS 160D-605, the Board of Commissioners finds the rezoning request unreasonable and not in the public interest based upon:

1. The properties' proximity to existing residential districts and uses;
2. The Future Land Use map within the Comprehensive Plan recommendation for medium density residential development on these parcels;
3. The Comprehensive Plan recommendation within the Sherrills Ford Small Area to focus larger commercial development to the NC Highway 150 NC 16 Highway corridors at key intersections;
4. The Comprehensive Plan recommendation within the Sherrills Ford Small Area to focus smaller scale rural commercial nodes at the intersections of Sherrills Ford and E Bandy's Cross Road, Hudson Chapel Road and Kale Road, and Slanting Bridge Road and Keistler Store Rd.
5. The 75,000 square feet development would depend on on-site septic and repair area. Should they fail, availability of public sewer, which is approximately 1.5 miles away, is not guaranteed.
6. Per General Statute, rezoning the properties would cause a revision to the comprehensive land use plan (Future Land Use Map) and may cause unintended and unplanned commercial sprawl.

By a vote of 5-0, the Catawba County Board of Commissioners denies the rezoning request.

This, the 20th day of January, 2026.

b. Catawba County Economic Development Specialist Kimberly Propst requested the Board of Commissioners conduct a public hearing, consider approval of the Economic Development Agreement between Catawba County and Coley, LLC and the related resolution, and authorize the Chair to execute these along with any other necessary documents to complete the transaction.

Coley, LLC has a unique direct-to-consumer furniture model that specializes in made-to-order furniture – and is produced entirely in its North Carolina manufacturing facility. Currently with a Claremont-based team of 60 employees, each piece is assembled and upholstered, maintaining high quality standards and supporting local craftsmanship. Coley LLC's direct-to-consumer model sets them apart from others in the region, offering greater speed and flexibility in delivering custom furniture. In less than five years, the company's rapid growth and success have led them to consider beyond their current 60,000-square-foot facility.

Coley LLC has committed to the construction of a new 75,000-100,000 square foot manufacturing facility near their existing 60,000-square-foot facility. The project entails capital expenditures of \$9 million and 40 new jobs within three years and holds the potential to create up to 77 jobs within five years. Pay for the positions will exceed the county's average wage of \$54,280 as required for existing employers.

As analyzed in recent Site Selection Group Industry Growth Analysis and supported by the 2025 EDC Plan of Work, we are developing means to support innovative approaches to existing industries, particularly Growth Sectors in Furniture, Textiles, and Electrical Equipment.

The proposed incentive is a property tax grant of 50% over five years (maximum \$89,665), beginning after the second year of investment. This investment will net a positive payback to the county immediately, similar to paybacks used to determine grant involvement in other county projects.

Like all incentives provided by the County, these incentives will be based on an economic development agreement which requires Coley, LLC to meet minimum thresholds of investment (\$9,000,000 by the end of 2029) and job creation (40 new jobs by the end of 2029) and maintenance (60 existing jobs). Non-performance clawbacks are included in the agreement, requiring repayment should the investment and job creation amounts not be met or sustained.

Earlier this month, the City of Claremont approved an economic incentive agreement for the project, and the State of North Carolina announced a \$100,000 incentive grant from the One North Carolina Fund.

After Ms. Propst's presentation, there were no questions. Chair Isenhower confirmed the City of Claremont's incentives mirror the County's. Chair Isenhower opened the public hearing. With no one coming forward the Chair closed the public hearing. Commissioner Abernethy made a motion to approve the Economic Development Agreement between the County and Coley, LLC and the related resolution, and authorize the Chair to execute these along with any other needed documents. The motion carried unanimously.

The following resolution applies:

Resolution No. 2026-01
Resolution Authorizing Economic Development Incentives for Coley, LLC

WHEREAS, Coley, LLC (herein referred to as "the Company") requested incentives to cause a minimum investment of \$9,000,000 in the Company's Claremont facility by December 31, 2029; the retention of 60 existing jobs and the creation and maintenance of a minimum of 40 net new jobs by December 31, 2029. In addition, the Company commits to not hire anyone without a minimum of a high school diploma for anyone 25 years of age or below, and the total average wage of the jobs will equal or exceed \$61,818 for each year the County pays the Company an Economic Development Incentive Grant.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Catawba County, North Carolina, as follows:

The Board of Commissioners approves a performance-based grant, based on minimum investment of \$9,000,000 and the creation and maintenance of 40 new jobs by December 31, 2029, with a maximum annual payment of \$17,933 (cumulative maximum incentive of \$89,665). This grant will be used to reimburse the Company's expenditures as eligible under North Carolina General Statute §158-7.1. The Board of Commissioners also directs the County to execute a contract and any necessary resolutions or addenda between the Company and the County under these terms and conditions and authorizes the Chair to execute these documents.

This the 20th day of January 2026.

The following agreement is approved:

**STATE OF NORTH CAROLINA
COUNTY OF CATAWBA**

**CATAWBA COUNTY AND
COLEY, LLC
ECONOMIC DEVELOPMENT
AGREEMENT**

This **ECONOMIC DEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into this ___ day of _____, 2026, by and between **Catawba County** (the "County"), a North Carolina body politic, having a mailing address of **Post Office Box 389, Newton, NC, 28658**, and **Coley, LLC** ("Company"), a Limited Liability Company organized and existing under the laws of the State of North Carolina, having a mailing address of **2377 Penny Road, Claremont, NC 28610**.

WITNESSETH:

WHEREAS, North Carolina General Statute (NCGS) §158-7.1(a) authorizes County to make appropriations for the purpose of aiding and encouraging the location of business enterprises and industrial and commercial plants in or near its boundaries, and Coley LLC is engaged in manufacturing upholstered household furniture within the meaning of NCGS §158-7.1; and

WHEREAS, The Company intends to construct, up-fit and/or equip existing and new manufacturing facilities ("Improvements") at 2530 BGA Drive, Claremont, NC 28610 (Parcel ID # 375112972466) and 2377 Penny Road, Claremont, NC 28610 (Parcel ID # 375112973035) (the "Properties") at a cost of no less than Nine Million Dollars (\$9,000,000) and intends to create a minimum of Forty (40) new jobs at the Properties with the Improvements to be made and new jobs to be created between July 1, 2025 and December 31, 2029 ("Improvement Period"); and

WHEREAS, Coley, LLC expects to be a community-oriented company; intends to participate in philanthropy, community events and programs intended to increase the health and happiness of their employees and the greater community as a whole; and to consider participation in the Catawba EDC's corporate Committee of 100 501(c)(3) non-profit sponsorship; and

WHEREAS, Coley, LLC is encouraged, to the reasonable extent possible, to purchase local services and supplies, such as, but not limited to, locally produced products, local hotel, motel and hospitality services, local building and construction services, and other products and services; and

WHEREAS, the Board of Commissioners of Catawba County has determined that the appropriations to be made pursuant to this Agreement increase the taxable property, employment, industrial output, or business prospects of Catawba County and approved this Agreement pursuant to NCGS §158-7.1; and

WHEREAS, the Board of Commissioners has approved this Agreement after having conducted a public hearing in compliance with NCGS §158-7.1 and finding that the appropriations to be created pursuant to this Agreement will stimulate the local economy, promote business.

NOW, THEREFORE, in consideration of the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION I – Coley, LLC

1. On or before December 31, 2026, the Company shall deliver to County a certificate confirming that Coley, LLC owns the Properties and the installation thereupon of the Improvements by the Company will result in the creation, maintenance and availability of a minimum of Forty (40) new jobs at the Properties in the County on or before December 31, 2029, and the overall average annual wage for these 40 new jobs at the Properties will equal or exceed \$61,818 for each year the County pays the Company an Economic Development Incentive Grant provided for herein. The Company affirms its understanding of, and agrees to comply with, the Calendar of Responsibilities as outlined in Exhibit A, attached hereto and incorporated herein by reference. Such certificate shall be substantially in the form of the certificate attached to this Agreement as Exhibit A. It is understood and agreed the 40 new jobs referred to above means additional new jobs over and above the 60 existing jobs at Coley, LLC's Property in Claremont as of July 1, 2025.
2. In order to induce County to enter into this Agreement and to appropriate and expend monies for payment of Economic Development Incentive Grants, the Company represents and warrants, to the best of Company's knowledge, as of the execution date hereof:
 - a. The Company is qualified to do business in the State of North Carolina, has a place of business within the State of North Carolina, is registered with the North Carolina Secretary of State, and is in good standing and authorized to do business in the State of North Carolina;
 - b. The Company has the corporate power and authority to own or lease its properties and assets and to carry on its business as now being conducted and has the corporate power and authority to execute and perform this Agreement;
 - c. The undersigned representative of the Company has the right, authority and duty to execute this Agreement in the name and on behalf of the Company;
 - d. This Agreement (i) is the valid and binding instrument and agreement of the Company, enforceable against the Company in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on the Company, the charter documents or operating agreement of the Company or any provision of any indenture, agreement or other instrument to which the Company is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any indenture, agreement or other instrument to which the Company is a party;
 - e. There is no suit, claim, action or litigation pending, or to the knowledge of the Company threatened, relating to the Improvements, the use of the Improvements for their intended purpose, or any other matter contained herein; and

- f. The Company is not engaged in a business that would be exempt from property taxes.
3. The Company shall make investments in the Properties and Improvements during the Improvement Period. Cumulative expenditures will meet or exceed Nine Million Dollars (\$9,000,000) by December 31, 2029, all of which will qualify and result in additional value for ad valorem tax purposes as determined by the Catawba County Tax Office, and the Company further agrees to maintain in place, in good condition (ordinary wear and tear excepted), said Improvements for three (3) years after the final incentive payment ("Investment Maintenance Period").
4. In addition to the 60 existing jobs on July 1, 2025, the Company shall create a minimum of 40 new jobs at the Properties in Catawba County by December 31, 2029, and maintain or make available these jobs in place from December 31, 2029, until at least three (3) years after the final incentive payment (the "Jobs Maintenance Period"). A job is defined as employment that provides 1600 hours or more of work in any 12-month period.

SECTION II – COUNTY

5. In order to induce the Company to enter into this Agreement and to appropriate and expend monies for payment of Economic Development Incentive Grants, County represents and warrants, to the best of County's knowledge, as of the execution date hereof:
 - a. County is a North Carolina body politic corporate in nature and existing under North Carolina law;
 - b. County has the power and authority to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement;
 - c. The undersigned authorized representative of County has the right, authority and duty to execute this Agreement in the name and on behalf of County; and
 - d. This Agreement (i) is the valid and binding instrument and agreement of County, enforceable against County in accordance with its terms; (ii) does not violate any order of any court or other agency of government binding on County, the charter documents of County or any provision of any indenture, agreement or other instrument to which County is a party; and (iii) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any indenture, agreement or other instrument to which County is a party.
6. Payment of the Economic Development Incentive Grants to Company for Real and Personal Property Investments and for Job Creation in accordance with this Agreement shall be made as follows:
 - a. The County agrees to provide annual payments equal to a corresponding percentage (see chart in 6.b. below) of the ad valorem taxes associated with the

additional assessed value of real and personal property made or caused to be made by the Company (exclusive of rolling stock) in excess of the assessed value of the Property as of January 1, 2025 ("Base Value"), which assessed value is \$2,275,200, as paid to the County for a five (5) year period (GY1 through GY5), commencing with the taxes assessed on January 1, 2028, and January 1 of the succeeding four (4) years for Improvements made or caused to be made by the Company at the Property, as applicable, pursuant to Paragraphs 3 and 4 with the maximum payments shown in the chart below.

- b. In no event will the cumulative Annual Incentive Payments by the County exceed Eighty-Nine Thousand Six Hundred Sixty-Five Dollars (\$89,665) for the term of the Agreement as provided in the chart below.

Estimated Payment Period	Grant Percentage	Maximum County Payment by Year
GY1 (2029)	50%	\$17,933
GY2 (2030)	50%	\$17,933
GY3 (2031)	50%	\$17,933
GY4 (2032)	50%	\$17,933
GY5 (2033)	50%	\$17,933
Total		\$89,665

- c. Said amounts shall be payable annually, subject to the Company being in compliance with all requirements of the Agreement, beginning in 2029 (GY1) and payable through 2033 (GY5).
- d. Upon payment of ad valorem taxes by the Company to the County for each grant year 2029 through 2033 and certification of Improvements and Job Creation submitted by the Company to the County by March 5th beginning in calendar year 2029 in the form or substantially in the form of Exhibit B, attached and incorporated herein by reference, the County will, within ninety (90) days of the County's receipt of such certification provided by the Company, pay to the Company an amount calculated by multiplying the corresponding grant percentages outlined in Paragraph 6.b. times the total ad valorem tax revenue received by the County attributable to the value of the Improvements made by the Company pursuant to this Agreement in excess of Base Value of the Property, which the parties agree is \$2,275,200. The Base Value will be deducted from the total assessed value of building and land in the determination of the value of net new Improvements made by the Company in the calculation of economic development incentives.
- e. This same process will be followed by County and Company in each of the following years, 2030 through 2033. Regardless of the amount calculated for each year, the maximum annual payment will be capped at the maximum payment by the County for each year as set forth in Paragraph 6.b.
- f. Company shall furnish to the County on or before March 5th of each calendar year, following and corresponding to the previous July 1st when taxes are billed, the

- g. certification required by Paragraph 6.d. and proof of payment of all applicable taxes. If requested, Company shall provide County, at County's expense, independent certification as to such expenditures and number of existing jobs.

SECTION III – FORCE MAJEURE, EVENTS OF DEFAULT AND REMEDIES

- 7. Force Majeure. Notwithstanding the provisions of Paragraph 8, in the event Company is unable to meet the requirements of this Agreement as a result of (i) an event of force majeure, including but not limited to fires, explosions, acts of God, acts of public enemy, insurrections, riots, terrorism, (including cyber terrorism) embargoes, labor disputes, including strikes, lockouts and job actions, or boycotts; pandemic, epidemic, or other public health emergency; (ii) the inability to obtain the governmental permits or approvals (including zoning) necessary for the acquisition of the Property, construction of the Improvements, or undertaking and operating the Improvements after a good faith effort to obtain same has been made; (iii) shortages of materials or energy; (iv) changes in laws; or (v) other causes beyond the control of and arising without the fault or negligence of Company; then, in such event, the Improvement Period shall be extended for a period equal to the delay caused by any of the foregoing events so long as Company shall (a) have furnished County on a timely basis, upon the occurrence of such event, a notice thereof, and (b) take all commercially reasonable steps necessary to relieve the effect of such event and to resume completion of the Improvements. In accordance with the foregoing, should the Company be unable to meet the requirements as described above as a result of a force majeure, the obligation of the County to pay as provided in Section II above shall be suspended until such time as the Company is relieved from the effect of an event of force majeure and resumes completion of the Improvements.
- 8. It shall be an "Event of Default" by Company if any one or more of the following events shall occur for any reason whatsoever and whether such occurrence shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body:
 - a. If Company, except in the event of force majeure, commits a breach of an obligation, including without limitation, to (i) make the Investment during the Improvement Period and maintain the Improvements during the Investment Maintenance Period; (ii) create and maintain a minimum of Thirty-Six (36) new jobs at the Properties and that the overall average annual wage for the created jobs will equal or exceed \$61,818, which is eighty percent (90%) of the proposed Forty (40) new jobs at the Properties during the Jobs Maintenance Period and such breach continues for a period of sixty (60) or more days following receipt by the Company of written notice from the County; or (iii) fails secure fee simple ownership of the Properties by December 31, 2026;
 - b. If during the Jobs Maintenance Period, the Company fails to timely file Exhibit B on or before March 5th of each year, following and corresponding to the previous July 1st when taxes are billed and any qualifying incentive that would be due to the Company, such failure may be deemed a breach of the Agreement and notwithstanding Paragraph 9 below, the sole remedy of the County will be the County will not owe the Company Economic Development Incentive Grants that

- c. may have otherwise been due had those filings properly been made when due;
 - d. If any material representation, warranty or other statement of fact contained in this Agreement or in any final writing, certificate, report or statement furnished by Company to County in connection with the transaction described in this Agreement, shall, to Company's knowledge, be false or misleading in any material respect at the time given;
 - e. If Company shall be unable to pay its debts generally as they become due; files a petition to take advantage of any insolvency statute; makes an assignment for the benefit of creditors; commences a proceeding for the appointment of a receiver, trustee, liquidator or conservator of themselves or of the whole or any substantial part of their property; files a petition or answer seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state;
 - f. If a Court of competent jurisdiction shall enter an order, judgment, or decree appointing a custodian, receiver, trustee, liquidator, or conservator of Company or of the whole or any substantial part of their properties, or approves a petition filed against Company seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute; or if, under the provisions of any other law for the relief or aid of debtors, a court of competent jurisdiction shall assume custody or control of Company or of the whole or any substantial part of their properties; or
 - g. If Company shall allow the Improvements, employment and average wage amounts to fall below the minimum values agreed upon in this Agreement for the Property.
9. **County Remedy:** If Company fails to cure an Event of Default for which it receives written notice, but which written notice will not be given to the Company by the County for a failure to timely file Exhibit B, from County due to noncompliance with the Improvement or Job Creation requirements, or the failure to maintain investment and job levels during the required period, the obligation of County as set out herein shall terminate, and Company shall immediately refund to County all Annual Incentive Grant Payments paid to Company prior to the date of the Event of Default, plus interest at the rate of prime plus one percent (1%). The date the prime interest rate shall be determined shall be the date that Company receives the notice of the Event of Default and prime will be the prime rate as published in the *Wall Street Journal (WSJ)*. County shall not be obligated to provide an Annual Incentive Payment to the Company for such corresponding grant year following the year in which an Event of Default occurs. As noted above, the Company shall, as it relates to an Event of Default, have sixty (60) days after receipt of the notice required above, to cure the Event of Default.
10. **Company Remedy:** If County fails to cure an Event of Default for which it receives written notice from Company, the obligations of Company as set out herein shall terminate; however, the obligations of the County shall remain in full force and effect, including, the obligation to pay the Annual Incentive Payment to the extent required by Company's continued performance of its obligations as set forth herein. County shall, as it relates to

an Event of Default, have sixty (60) days after receipt of the notice required above, to cure the Event of Default.

11. Company and County acknowledge any monies appropriated and expended by County for economic development incentives, as provided in this Agreement, are for a bona fide public purpose and are expended in good faith reliance on NCGS §158-7.1. In the event a Court of competent jurisdiction rules, in a final non-appealable order, to which either Company or County is a party, that all monies expended by County pursuant to this Agreement were not offered and accepted in good faith and in compliance with NCGS §158-7.1 and, further, that such monies must be repaid, Company will make such repayment to County. In the event one or more lawsuits are brought against County or any County elected official, officer, agent or employee, or Company, challenging the legality of this Agreement, then County and Company shall exercise their best efforts to defend against any and all such lawsuits, at their own cost and expense. In any event, if Company is required to repay funds to County pursuant this Paragraph 11, the benefit of this Agreement to Company will have been lost and all further obligations of Company hereunder shall terminate.
12. The Company shall at all times observe and comply with all federal, state and local laws, regulations, codes, rules, ordinances and any other requirements. The Company further agrees it will not discriminate by reason by age, race, religion, color, sex, national origin or disability.
13. All notices, certificates or other communications required or permitted to be given or served hereunder shall be deemed given or served in accordance with the provisions of this Agreement if the notice is (i) mailed in a sealed wrapper and is deposited in the United States mail, certified mail, return receipt requested, postage prepaid, or (ii) deposited with a national overnight courier service that retains receipts for its deliveries, properly addressed as follows:

County of Catawba: Catawba County
 Attn: Mary Furtado, County Manager
 PO Box 389
 Newton, NC, 28658

Copy to: County Attorney
 Attn: Jodi Stewart, County Attorney
 PO Box 389
 Newton, NC, 28658

Coley, LLC: Coley Collett Hull
 Manager
 1111 Metropolitan Avenue, Suite 700
 Charlotte, NC 28204

Copy to: George T. Smith III
 Maynard Nexsen PC
 4141 Parklake Ave., Suite 200
 Raleigh, NC, 27612

County or Company may, by notice given to the other, designate any further or different addresses to which notices, certificates, requests or other communications shall be sent.

14. This Agreement shall inure to the benefit of, and is binding upon, County and Company and their respective successors and assigns. However, neither this Agreement, nor any rights, privileges, nor claims created by this Agreement may be transferred by Company without the prior, written approval of County, which approval will not be unreasonably withheld.
15. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.
16. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions of this Agreement.
17. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully executed counterpart.
18. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina; venue of any action shall be in the general courts of justice in Catawba County, or if in Federal court in the Western District of North Carolina.
19. The term of this Agreement shall commence on the date of execution and expire upon payment by County of all payments due to Company and Company fulfilling all its requirements including real and personal property investments and maintenance and the creation and maintenance of jobs, unless earlier terminated as provided herein.
20. Both Company and County acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by Counsel for both Company and County. As such, the doctrine of construction against the drafter shall have no application to this Agreement.
21. This Agreement, and any exhibits attached hereto, constitute all material terms of the agreement between the parties in connection with the transaction and agreements described therein, and there are no oral or parol agreements, negotiations, representations or inducements existing between the parties relating to the transaction and agreement except those as are expressly set forth herein.
22. Company shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if Company utilizes a subcontractor, Company shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

[SIGNATURE PAGES FOLLOW]

Economic Development Agreement
Between County of Catawba and Coley, LLC
January 2026
Page 8 of 12

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

County of Catawba,
A North Carolina Body Politic

Attest:
(SEAL)

By: _____ (Seal)
C. Randall Isenhower, Chair
Catawba County Board of Commissioners

Clerk

STATE OF NORTH CAROLINA
COUNTY OF CATAWBA

I, _____ a Notary Public of said county and state, certify that Dale R. Stiles personally came before me this day and acknowledged that she is County Clerk to the Catawba County Board of Commissioners, a body politic corporate in nature, and that by authority duly given and as the act of the body politic the foregoing instrument was signed in its name by its Chair, sealed with its body politic seal, and attested by herself as County Clerk.

Witness my hand and seal this _____ day of _____, 2026.

[Seal]

Notary Public

My commission expires: _____

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Director

Approved as to form on behalf of County of Catawba only:

Jodi Stewart, County Attorney

Coley, LLC
A North Carolina limited liability company

By: _____
Coley Collett Hull
Founder and CEO

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public of said County and State, do certify that Coley Collett Hull, Founder and CEO, personally appeared before me this day and acknowledged on behalf of Coley, LLC, the voluntary due execution of the foregoing document, all for the purposes therein expressed.

Witness my hand and seal this _____ day of _____, 2026.

[Seal]

Notary Public

My commission expires: _____

EXHIBIT A
Economic Development Agreement
Between Catawba County and Coley, LLC

CERTIFICATE

TO: Catawba County

This Certificate is delivered pursuant to Paragraph 1 of the Economic Development Agreement (the "Agreement"), dated _____, 202__, between Catawba County ("County") and Coley, LLC. Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

I, _____, do hereby certify, for and on behalf of Coley, LLC, that:

- (a) Coley, LLC owns the real property necessary for the Improvements; and
- (b) Coley, LLC will create, maintain and make available a minimum of 40 net new jobs (in addition to the existing 60 jobs as of July 1, 2025) prior to December 31, 2029, and the overall average wage for the jobs will equal or exceed \$61,818 annually for each year that County pays Coley, LLC the economic development incentive provided for herein; and
- (c) Coley, LLC agrees to comply with the Calendar of Responsibilities listed below.

Calendar of Responsibilities:

- By January 5: Coley, LLC makes payment to County according to Tax Listing filed by January 31st of the previous year unless extension is requested and approved for April 15th. Any extension request must be filed by January 31st.
- By March 5: Coley, LLC must provide Exhibit B, supporting documents and proof of payment and/or compliance as required within Agreement.
- By April 15: Coley, LLC must provide Real/Personal Property Tax listings to County Tax Office.
- By April 22: County Tax Office to provide Tax Listing on Specified Accounts.*

*Note: This is not a company responsibility.

Dated at Catawba County, North Carolina, this ____ day of _____, 2026.

Coley, LLC

By: _____

Name: _____

Title: _____

EXHIBIT B
Economic Development Agreement
Between Catawba County and Coley, LLC

CERTIFICATE

TO: Catawba County

This Certificate is delivered pursuant to Paragraph 6 and Paragraph 8 of the Economic Development Agreement ("the "Agreement") dated _____, 202__, between Catawba County ("County") and Coley, LLC. Any capitalized term not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

Coley, LLC does hereby certify that:

- (a) The following improvements were made during the 20__ Calendar Year: _____.
- (b) The following jobs were created during the 20__ Calendar Year: _____ (attach most recent quarterly 3rd party payroll report, Form NCUI 101 or other payroll documentation approved by Catawba County Economic Development Staff to verify).
- (c) The average wage of all of those employed at the Catawba facility during the 20__ Calendar Year is as follows: (Wage Forms Total Payroll divided by number of employees) _____.
- (d) Total cumulative personal property valuation installed at the _____ facility during the 20__ Calendar Year _____; and
- (e) Proof of taxes paid is attached to this certificate.

Dated at Catawba County, North Carolina, this ____ day of _____, 20__.

Coley, LLC

By: _____

Name: _____

Title: _____

Attachments (required):

- (1) Current Year Catawba County personal and real property Tax Listing information as reported to Catawba County Tax Office, (2) Most recent quarterly Form NCUI 101 or other County approved payroll documentation, (3) Proof of taxes paid in full.

Calendar of Responsibilities:

- By January 5: Coley, LLC makes payment to County of ad valorem taxes according to Tax Listing filed by January 31st of the previous year unless extension is requested and approved for April 15th. Any extension request must be filed by January 31st.
- By March 5: Coley, LLC must provide this Exhibit B, supporting documents and proof of payment and/or compliance as required within Agreement.
- By April 15: Coley, LLC must provide Real/Personal Property Tax listings to County Tax Office.
- By April 22: County Tax Office to provide Tax Listing on Specified Accounts.*

*Note: This is not a company responsibility.

10. Consent Agenda.

County Manager Mary Furtado presented the following five items under the consent agenda. Chair Isenhower asked if any commissioner wished for an item to be broken out of the consent agenda for individual consideration. None was requested.

a. The Finance and Personnel Subcommittee recommended the Board of Commissioners adopt the proposed Conflict of Interest Policy.

The County has adopted Conflict of Interest Policies in the Personnel Code for financial and regulatory purposes. The proposed policy enhances the existing regulatory framework by establishing a consolidated policy applicable to elected officials and officials appointed by the Board of Commissioners to boards and commissions. The proposed policy provides guidance to identify and avoid conflicts of interest to ensure accountability and compliance with applicable laws.

The following policy applies:

Catawba County Board of Commissioners and Appointed Boards and Commissions
Conflict of Interest Policy

Section 1. Declaration of Policy

The Catawba County Board of Commissioners is committed to protecting the integrity of operations and ensuring elected officials and officials appointed to County boards and commissions act in the community's best interests. This Policy provides guidance to identify and avoid conflicts of interest to ensure accountability and compliance with applicable laws and to safeguard public trust.

Section 2. Applicability

This Policy applies to all Catawba County elected officials and County-appointed boards and commissions.

Section 3. Definitions

The following words, terms, and phrases, when used in this policy, shall have the meanings ascribed to them in this section:

Appointed Official – All persons appointed by the Catawba County Board of Commissioners to any County board or commission.

Business Entity - Any business, proprietorship, firm, partnership, person in representative or fiduciary capacity, association, venture, trust, or corporation which is organized for financial gain or for profit.

Covered Individual – An elected official or appointed official of the County.

Covered Nonprofit Organization – A nonprofit corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State of North Carolina primarily for religious, charitable, scientific, literary, public health and safety, or educational purposes, excluding any board, entity, or other organization created by the State of North Carolina or the County.

Direct Benefit – (i) having a ten percent (10%) ownership interest or other interest in a contract or subaward; (ii) deriving any income or commission directly from a contract or subaward; or (iii) acquiring property under a contract or subaward.

Elected Official - The members of the Catawba County Board of Commissioners, the Catawba County Sheriff, and the Catawba County Register of Deeds.

Immediate Family –

- A. Applicable to contracts, subawards, grants, and other transactions under North Carolina Law: The spouse and all children of the Covered Individual.
- B. Applicable to Federal contracts, subawards, and grants: (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.

Interest – Direct or indirect pecuniary or material benefit accruing to Covered Individual as a result of a contract, subaward, or transaction which is or may be the subject of an official act or action by or with the County. For the purpose of this article, a Covered Individual shall be deemed to have an interest in the affairs of:

- A. For State contracts, subawards, grants and other transactions: Any person in his/her Immediate Family;
- B. For Federal contracts, subawards, grants, or transactions: A Related Party;
- C. Any business entity in which he/she is an officer or director;
- D. Any business entity in which in excess of ten percent (10%) of the stock of, or legal or beneficial ownership of, is controlled or owned directly or indirectly by them; or
- E. A Covered Nonprofit Organization on which they currently serve as an officer, director, or board member.

Official Act or Action – Any legislative, administrative, appointive, or discretionary act of a Covered Individual, the Catawba County Board of Commissioners, or any County board or commission.

Related Party – (i) an Immediate Family Member of a Covered Individual, (ii) a business partner of a Covered Individual, or (iii) a current or potential employer (other than the County) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.

Section 4. Policy

A. Interest in Contract, Agreement, or Subaward

No Covered Individual shall have or acquire an interest in any contract, agreement, or subaward with the County. Additionally, no Covered Individual shall participate directly or indirectly in the selection, award, or administration of a contract, agreement, or subaward if he/she has a real or apparent conflict of interest. Covered Individuals shall comply with state and federal laws concerning conflicts of interest.

1. Real Conflict of Interest-

- a. For State contracts, agreements, or subaward: A real conflict of interest shall exist when a Covered Individual or Immediate Family Member has a financial or other interest in or tangible personal benefit from a firm considered for a contract, agreement, or subaward.
- b. For Federal contracts, agreements, or subawards: A real conflict of Interest shall exist when a Covered Individual or Related Party has a financial or other interest in or tangible personal benefit from a firm considered for a contract, agreement, or subaward.

2. Apparent Conflict of Interest –

- a. For State contracts, agreements, or subawards: An apparent conflict of interest shall exist where a real conflict of interest may not exist, but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that there a Covered Individual or Immediate Family member has a financial or other interest in or a tangible personal benefit from a firm considered for a contract, agreement, or subaward.

- b. For Federal contracts, agreements, or subawards: An apparent conflict of interest shall exist where a real conflict of interest may not exist, but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that there a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a contract, agreement, or subaward.

B. Use of Official Position

No Covered Individual shall use his/her official position or the County's facilities or resources for his/her private gain, nor shall he/she appear before or represent any private person, group, or interest before any department, agency, commission, or board of the County except in matters of purely civic or public concern. This subsection is not intended to prohibit speaking before neighborhood groups and other nonprofit organizations.

C. Disclosure of Information

No Covered Individual shall use or disclose confidential information gained in the course of or by reason of his/her official position. Examples include, but are not limited to, for purposes of advancing:

1. His/her financial or personal interest;
2. A business entity of which he/she is an owner in part or in whole, an officer, or director; or
3. The financial or personal interest of a member of his/her immediate family or that of any other person.

D. Incompatible Service

No Covered Individual shall engage in or accept private employment or render service for private interest, when such employment or service is incompatible with the proper discharge of his/her official duties or would tend to impair his/her independence of judgment or action in the performance of his/her official duties, nor shall any Covered Individual serve on any County board except where expressly required by statute and provided disclosure is made as provided in this section.

E. Gifts

No Covered Individual shall directly or indirectly solicit, accept, or receive any gift, favor, reward, service, or promise of award whether in the form of money, cash equivalents (instruments readily convertible into cash such as money, orders, and checks), gift cards, gift certificates, pre-paid credit cards, services, loans, travel, entertainment, hospitality, or things or promises, including a promise of future employment, under circumstances in which it could reasonably be inferred that the gift, favor, reward, service, or promise of award was intended to influence him/her, or could reasonably be expected to influence him/her, in the performance of his/her official duties, or was intended as a reward for any official action on his/her part.

Legitimate political contributions, advertising items or souvenirs of nominal value, honoraria for participating in meetings, and meals at banquets shall not be considered as gifts, favors, or rewards under this policy.

F. Special Treatment

No Covered Individual shall grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.

G. Disclosure of Interest in Official Act or Action

Any member of the Catawba County Board of Commissioners or member of an appointed board or commission who has an interest in any official act or action before the Board of Commissioners or an

appointed board or commission shall publicly disclose on the record the nature and extent of such interest and shall not vote on the matter if excused by the Board of Commissioners or appointed board or commission.

*(*The question of the compensation and allowance of members of the Board of Commissioners is not a matter involving a member's own financial interest or official conduct.)*

A member of the Board of Commissioners or a member of an appointed board or commission shall not participate or vote regardless of whether the member is excused in the following circumstances:

1. If the matter involves a legislative land use matter (such as a rezoning or text amendment) where the outcome of the matter is reasonably likely to have a direct, substantial, and readily personal financial impact;
2. If the matter involves a quasi-judicial function (such as the issuance of a special use permit or an appeal of a personnel decision) and the member has a financial interest in the outcome; or
3. If the matter involves a contract from which the member derives a direct benefit.

H. Reporting Violations

The County encourages reports of any potential violations of this Policy to the County Manager's office. The County shall not discriminate or retaliate against any individual in reprisal for disclosing information reasonably believed to be evidence of any potential violations of this Policy.

I. Discipline for Violations

The County will investigate and respond to all reports of violations or perceived violations of this Policy. Violation of this Policy may result in removal from an appointed board or commission or a motion or resolution of censure. The County shall terminate any contract or agreement with any subcontractor found to be in violation of this policy.

Section 5. Approval and Revision History

Policy Origination Date: January 12, 2026

b. The Policy and Public Works Subcommittee recommended the Board of Commissioners adopt a resolution establishing project total cost, setting the Preliminary Assessment Roll, and scheduling a Public Hearing on the Preliminary Assessment Roll for Mountain Creek Ridge Subdivision Road Improvement Project; and authorize the Chair to petition the North Carolina Department of Transportation (NCDOT) to accept the following roads into NCDOT's Secondary Road Maintenance Program: Mountain Creek Drive, Creek Bend Court, Stonemill Path and Falls Ridge Trail in Mountain Creek Ridge subdivision.

In 2020, the Board established a petition-driven program to facilitate acceptance of private roads into NCDOT's Secondary Road Maintenance Program, which is consistent with NCGS §153A-185 *Authority to Make Special Assessments*. Through this program, the County provides up-front financing to improve private roads to NCDOT standards, so NCDOT can assume maintenance responsibility. The cost of improvements is assessed against the property owners and recouped over a 10-year period through the special assessment process. To participate in the program, at least 75 percent of the homeowners to be assessed must voluntarily sign a petition supporting the project, and the owners who sign the petition must account for at least 75 percent of the road frontage to be improved through the assessment. The Board of Commissioners must then authorize the project prior to any construction efforts. In 2022, the Board established the \$2.5 Million Subdivision Road Improvement Fund and authorized the dedication of special assessment repayment revenue to the Fund, thereby establishing a clear funding mechanism for subdivision road improvement projects.

Property owners of Mountain Creek Ridge subdivision followed the above process to petition the County to finance repairs to their subdivision roads for the purpose of bringing the roads up to NCDOT standards for

acceptance into NCDOT's secondary road maintenance program. The construction is now complete, and NCDOT Division staff are satisfied that the roads now meet NCDOT standards and can be accepted into the secondary road maintenance program.

In order to complete the special assessment after a project is complete, the Board must make a final determination of cost, prepare and publish a Preliminary Assessment Roll, conduct a public hearing, and consider adopting what – if approved – will then become the Final Assessment Roll, and charge the Tax Administrator with the collection of the assessments. Property owners will then be notified of the assessment and payment options. This action implements the special assessment. The last required action is submission of a petition to the NCDOT Board for acceptance of the roads into the State's program for maintenance.

The table below summarizes the statutory process for establishing private road assessments and, for the items that have already been completed, provides the dates on which the Board of Commissioners each took the required action. The table also outlines the remaining steps the Board will still need to take to implement the assessment (*noted in italics, with planned dates*).

NCGS §	Date	Action Items
153A-205	4/1/2025	Citizens petition BOC with >75% of property owners & >75% of road frontage.
153A-190 & 153A-191	5/5/2025	BOC accepts Citizen Petition, makes funding decision and adopts Preliminary Resolution describing the Project, financing and setting time for Public Hearing.
153A-192	6/2/2025	BOC holds Public Hearing on Preliminary Assessment Resolution.
153A-192	6/2/2025	BOC adopts Final Resolution approving Project, setting financing terms.
143-131	6/4/2025	Project is bid in accordance with NC Procurement Procedures.
143-131	7/21/2025	Bid awarded.
153A-193 & 194	1/20/2026	BOC determines Project Total Cost, sets date and time for Public Hearing on the Preliminary Assessment Rolls.
153A-195	<i>Proposed 2/16/2026</i>	<i>BOC holds Public Hearing on Preliminary Assessment Rolls. If confirmed, Tax Administrator is authorized to collect assessment fees in same manner as property taxes.</i>

Below is a summary of the actions the Board is being requested to take today.

1). Determination of Cost

In determining the total cost, the Board may include construction costs and the cost of publishing and mailing notices. For Mountain Creek Ridge, the costs associated with the project are:

Determination of Cost – Mountain Creek Ridge

Construction	\$234,705.00
Advertisement of Preliminary Assessment (prior to construction)	\$142.30
Advertisement and notice of Preliminary Roll (current BOC item)	\$130.00
Tax Roll Advertisement	\$130.00
Total Cost – Mountain Creek Ridge	\$235,107.30

The basis for assessment is by lot in accordance with the number of subdivision lots at the time the petition was made, which is 46.

The individual assessment for each of the 46 lots is \$5,111.03. This amount can be paid as a lump sum before the first assessment bill comes due or in 10 annual payments with 1.5% annual interest. The annual payment with interest is \$554.21.

2.) Preliminary Assessment Roll Prepared and Published

Now that construction is complete, County staff have developed a preliminary assessment roll for Mountain Creek Ridge subdivision, in accordance with the provisions of NCGS 153A-194. If the Board adopts the resolution presented, the preliminary assessment roll will be filed in the Clerk's office where it will be available for inspection, and the required public hearing will be scheduled for the Board meeting on February 16, 2026. Additionally, a notice of the preliminary assessment roll and public hearing time will be mailed by first-class mail to each property owner to be assessed.

3.) Petition to NCDOT

To initiate the process with NCDOT regarding maintenance responsibility, the Board must authorize submitting a petition to NCDOT to accept the following roads: Mountain Creek Ridge, Creek Bend Court, Stonemill Path and Falls Ridge Trail in Mountain Creek Ridge subdivision. A copy of the NCDOT petition form for the subdivision is attached.

PRIVATE ROAD IMPROVEMENT FUND STATUS:

There is currently \$433,195.05 available for future road improvement projects. This number fluctuates based on the citizen repayment schedule for assessments already underway across the 14 projects undertaken through the program.

ALTERNATIVES:

If the Board of Commissioners should choose not to adopt the Final Assessment Rolls, the County would be unable to recover the project funds spent repairing the roads and would have established a precedent of dedicating public funding to private road repair projects.

The following resolution applies:

RESOLUTION No. 2026-02

RESOLUTION DECLARING COST, ORDERING PREPARATION OF PRELIMINARY ASSESSMENT ROLL AND SETTING TIME AND PLACE FOR PUBLIC HEARING ON THE PRELIMINARY ASSESSMENT ROLL FOR THE STREET IMPROVEMENT PROJECT FOR mountain Creek Ridge subdivision

WHEREAS, the improvement of Mountain Creek Ridge subdivision fronting Mountain Creek Drive, Creek Bend Court, Stonemill Path and Falls Ridge Trail was requested by petition of Property Owners filed on April 1, 2025, duly certified, to the Board of Commissioners, and determined to be sufficient in all respects by the Director of Utilities and Engineering; and

WHEREAS, the Board authorized the project by a Resolution adopted by the Board on May 5, 2025, and the project has been completed; and

WHEREAS, the cost of the project, has been determined.

NOW, THEREFORE, BE IT RESOLVED by the Catawba County Board of Commissioners that:

1. The cost of the above-described improvement has been computed and determined and is hereby declared to be \$235,107.30.
2. The Catawba County Tax Administrator is hereby directed to prepare a preliminary assessment roll, in accordance with N.C.G.S. §153A-194, showing the individual assessments upon properties benefited by the improvement.

3. The Catawba County Clerk is hereby directed to make available during regular office hours, in the Clerk's office, the preliminary assessment roll for inspection by the public from this day through February 16, 2026.
4. The Catawba County Board of Commissioners will hold a public hearing in accordance with N.C.G.S. §153A-195 at 7:00 p.m. on February 16, 2026 at the Catawba County Board of Commissioners Board Room, located in the Justice Center in Newton, North Carolina.
5. The Clerk is hereby directed to issue notice of the above-described public hearing.
6. The Clerk is further directed, no later than 10 days before the public hearing, to mail by first class mail copies of the notice of hearing to the property owners listed on the preliminary assessment roll.

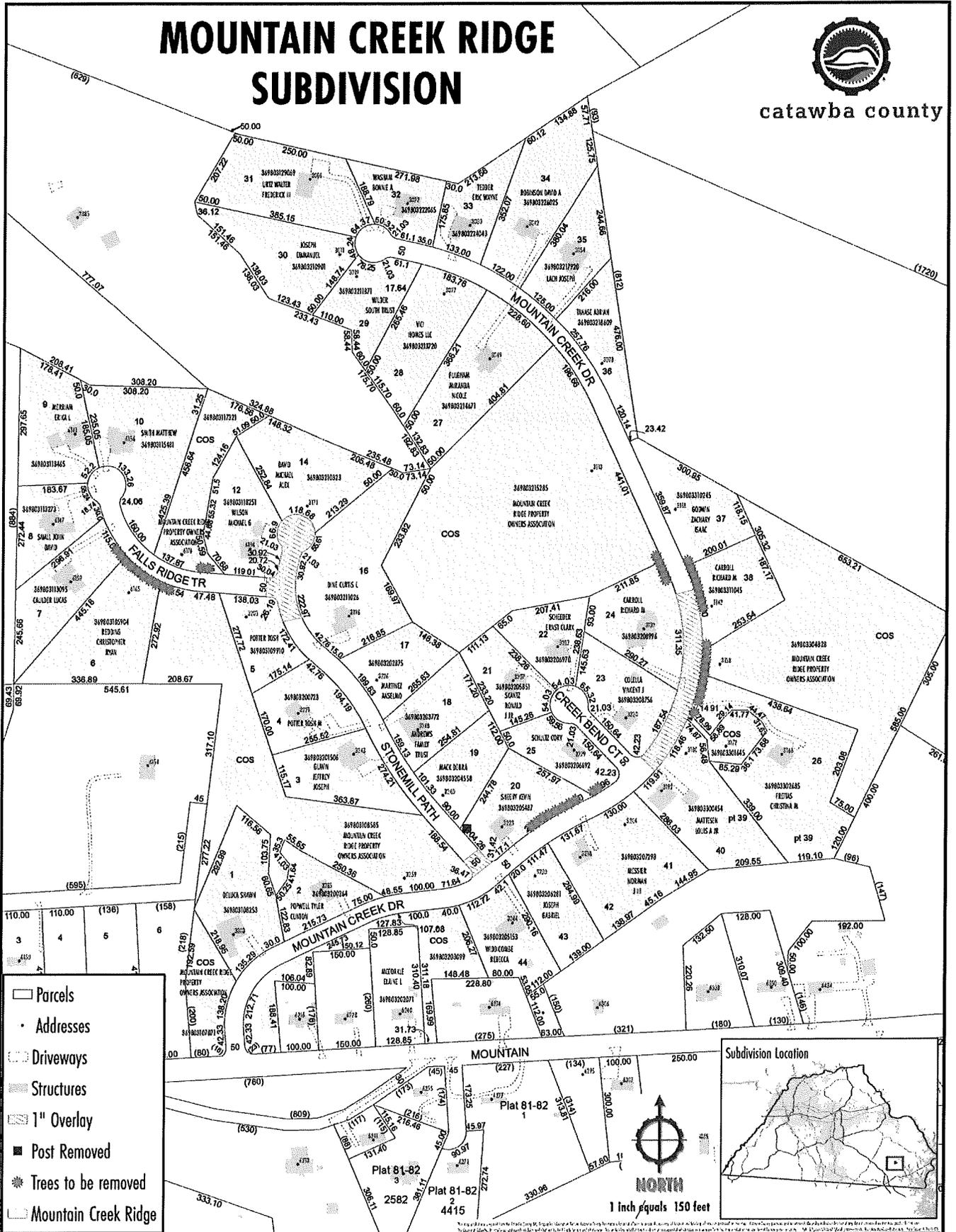
Adopted the 20th day of January, 2026.

A copy of Mountain Creek Ridge Subdivision is hereto attached:

MOUNTAIN CREEK RIDGE SUBDIVISION



catawba county



c. Staff recommended the Board of Commissioners amend the 2024 Urgent Repair grant project budget ordinance to appropriate \$1,134 in interest earned for housing rehabilitation activities.

Catawba County received a \$131,798 Urgent Repair Grant in 2024 from the North Carolina Housing Finance Agency. A total of \$1,735 in interest has been earned to date. The Project Budget Ordinance needs to be amended so the County may expend the interest earned through the rehabilitation line item. This will help complete the repairs needed for the last house obligated as the grant is finishing up.

The following ordinance applies:

ORDINANCE# 2026-01
AMENDMENT#1
CATAWBA COUNTY PROJECT BUDGET ORDINANCE
FOR THE 2024 URGENT REPAIR GRANT#2404

The following revenues were received to complete this Project:

Revenues

North Carolina Housing Finance Agency-URP

NCHFA-URP Grants Revenue	\$131,798
Interest Earned on Revenue	<u>\$ 1,735</u>
	\$133,533

Section 4. The following Expenditures are re-appropriated for the project:

Expenditures

North Carolina Housing Finance Agency-URP	
Rehabilitation-URP (Interest of \$1,735 added here)	\$109,533
WPCOG Administration/Soft Costs-\$12,202/\$11,798)	<u>\$ 24,000</u>
	\$133,533

Adopted this the 20th day of January,2026.

d. Staff recommended the Board of Commissioners declare Sheriff Deputy Michael Allen Brannon's badge and weapon as surplus, effective February 1, 2026, pursuant to North Carolina Statute 20-187-2(a). Deputy Stafford will retire effective February 1, 2026. He has requested his badge and service weapon. In lieu of receiving these items at a Board of Commissioners meeting, he has requested the weapon and badge be presented to him at a later time.

e. Staff recommended the Board of Commissioners approve 47 releases totaling \$16,834.39, eight refunds totaling \$5,979.15, and 63 Motor Vehicles Bill adjustments / refunds totaling \$9,470.49 requested during the month of December.

North Carolina General Statute 105-381(b) states upon receipt of a taxpayer's written request for release or refund, the taxing unit's governing body has 90 days to determine whether the taxpayer's request is valid to either approve the release or refund of the incorrect portion or to notify the taxpayer in writing that no release or refund will be made.

During the month of December Tax Office staff have checked records and verified the legitimacy of 47 releases totaling \$16,834.39, eight refunds totaling \$5,979.15 and 63 Motor Vehicle Bill adjustments / refunds totaling \$9,470.49.

Common reasons for the release of tax bill amounts include change in values, months, and situs, businesses closing / being sold, and clerical errors. The refunds are due to late tax exclusion applications approved by the Board of Equalization and Review and a clerical error. The motor vehicle bill adjustments are largely due to pro-ration of tax bill amounts to account for mid-year transfers of ownership and changes in values and situs.

The consent agenda items came in the form of a motion by Chair Isenhower, which carried unanimously.

11. Other Items of Business. None.

12. Manager's Report.

County Manager Mary Furtado reported the following budget transfers to the Board:

Budget Transfers: Pursuant to Board authority granted to the County Manager, the following budget transfers have been completed:

Capital Transfer:

FEMA – Riverbend Park

Transfer

From:

410-460100-994000-11000	General Capital Contingency	\$8,130
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To:

410-460100-988000-18037	Riverbend Park Culvert Replacement	\$8,130
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General Capital Contingency transfer to address a deficit in the Riverbend Park Culvert Replacement project. Due to FEMA approval delays since the project was originally scoped, the cost has increased from \$183,000 to \$191,130, necessitating the transfer.

Contingency Transfer:

911-Fund Repayment

Transfer

From:

110-190100-994000	Contingency	\$16,673.90
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To:

110-190900-995202	Transfer to 911 Fund	\$16,673.90
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Supplemental Appropriation:

Revenue:

202-280100-695110	From General Fund	\$16,673.90
202-280100-690100	Fund Balance Applied	(\$16,673.90)

Transfer from Contingency to repay the 911 Fund for expenses determined to be ineligible in the annual NC 911 Board audit, which took place after finalization of the County's Fiscal Year 2024/25 Audit.

12. Attorney's Report.
13. Adjournment. No further action was taken. Upon a motion by Commissioner Barbara G. Beatty which ()
unanimously carried, the meeting was adjourned at 8:35 p.m.



Randy Isenhower, Chair
Catawba County Board of Commissioners



Dale R. Stiles
County Clerk