

Regular Session, February 3, 2025, 7:00 p.m.
Catawba County Board of Commissioners

Appointments

223 02/03/25

Dangerous Dog Appellate Board – Dr. Sharon Monday
Dangerous Dog Appellate Board – Mike Rutledge
Home & Community Block Grant Advisory Committee – Meredith Willis
Town of Catawba Planning Board – Elisabeth Billod-Girard
Town of Maiden Planning Board – Kim McRee

Closed Session

Attorney-Client Privilege, Economic Development

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Economic Development

Pasta Piccinini Economic Development Agreement Termination

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Emergency Services

Designation of Primary and Secondary Agents for FEMA Applications
Sherrills Ford EMS Base Purchase Contract Amendment

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Finance

Subscription-Based IT Agreement Transfer and Materiality Threshold

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Planning

FY2023 Urgent Repair Program Interest Appropriation

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Presentations

Proclamation in Observance of Black History Month

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Proclamations

Proclamation in Observance of Black History Month

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Public Comment

Michael McRee
Christy Rananto
Sherrill Watkins

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Sheriff's Office

FY24 State Criminal Alien Assistance Program Grant Acceptance

224 02/03/25

The Catawba County Board of Commissioners met in Regular Session on Monday, February 3, 2025, 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, Assistant County Manager Justin Merritt, 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. Commissioner Cole Setzer led the Pledge of Allegiance.
3. Chair Isenhower 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 January 21, 2025. The motion carried unanimously.

5. Recognition of Special Guests:
Chair Isenhower welcomed everyone present.

6. Public Comments.
Michael McRee and Sherrill Watkins came forward requesting the monument on the grounds of the 1924 Courthouse not be removed. Mr. Watkins also thanked the Board and staff for their work on the Catawba County Boundary Line issue. Christy Rananto came forward requesting the Board modify the County's current noise ordinance.

7. Appointments.
Upon a recommendation by Vice Chair Allran that came in the form of a motion which unanimously carried, the Board reappointed the following to the Dangerous Dog Appellate Board: Dr. Sharon Monday for a fifth term, with a term expiration of November 4th, 2027; and Mr. Mike Rutledge for a fifth term, with a term expiration of February 2, 2028.

Upon a recommendation by Commissioner Setzer that came in the form of a motion which unanimously carried, the Board appointed Meredith Willis to fill the unexpired term of Miriam Davis to the Home & Community Block Grant Advisory Committee, with a term expiration of June 30, 2026.

Upon a recommendation by Commissioner Setzer that came in the form of a motion which unanimously carried, the Board reappointed Elisabeth Billod-Girard for a second term to the Town of Catawba Planning Board, with a term expiration of January 17, 2028.

Upon a recommendation by Commissioner Setzer that came in the form of a motion which unanimously carried, the Board reappointed Kim McRee for a first full term to the Town of Maiden Planning Board, with a term expiration of December 31, 2027.

8. Presentations.
Chair Isenhower presented a Proclamation in Observance of Black History Month to Catawba County NAACP President Jerry L. McCombs.

9. 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. Staff recommended the Board of Commissioners designate Primary and Secondary Agents, Bryan Blanton and Jason Williams respectively, to execute and file hazard mitigation applications on behalf of Catawba County residents for federal and/or state assistance related to Hurricane Helene (DR-4827-NC).

On September 29, 2024, President Biden declared that a major disaster exists in our region and ordered federal aid to supplement state and local recovery efforts in the area affected by Hurricane Helene beginning September 26, 2024. Catawba County and all its eligible municipalities were included in the declaration. This declaration allows federal funding to be available to the state, eligible local governments and individuals in certain situations.

In addition to executing and filing applications, the Primary and Secondary Agents will represent Catawba County in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters related to individual hazard mitigation disaster assistance associated with the above-named disaster.

b. Staff recommended the Board of Commissioners accept and appropriate a grant from the US Department of Justice, State Criminal Alien Assistance Program (SCAAP) in the amount of \$14,269.00 along with its required certifications and assurances.

SCAAP is a formula-based grant program that provides agencies with reimbursement for some of the costs associated with incarcerating undocumented, criminal aliens who have committed serious crimes in the U.S. The goal of this program is to enhance public safety in communities throughout the nation.

The amount of grant funds awarded is based on individuals held in the Newton Detention Center during fiscal year 2023/2024. There are no matching funds required for this award; it is 100% Federal funding. Funds under this program can be used for correctional purposes only. Staff recommends using \$11,843.27 of the funding to purchase Motorola R7 radios that are specific to the Detention Facility/Court campus. These radios are used to communicate within the facility for inmate issues, movement, officer safety, and general operations. The radios will allow the Detention Center to move closer to its goal of equipping each officer with a radio.

As has been the practice since 2014, Justice Benefits (JBI) was contracted to compile the data required for submission of the formula-based grant for a fee of 17% (\$2,425.73) of the SCAAP funds received.

SUPPLEMENTAL APPROPRIATION

Revenue

110-220050-620385 \$14,269

State Criminal Alien Assistance Program (SCAAP)

Appropriation:

110-220050-857900 \$2,425.73

Contractual Services

110-220050-870100 \$11,843.27

Small Tools & Minor Equipment

c. Staff recommended the Board of Commissioners approve the GASB 87 and 96 materiality threshold for the recognition of long-term debt obligations for leases and subscription-based software agreements to agreements \$500,000 and greater.

The Governmental Accounting Standards Board (GASB) issued new accounting standards for the recognition of Leases and Subscription-Based Information Technology Agreements (SBITAs) with non-cancellable periods greater than 12 months. These standards are referred to as GASB 87 and 96, respectively. Both standards require the recognition of a long-term debt obligation for agreements meeting specific criteria. In addition, payments made to satisfy the debt obligation must be recognized as debt service payments versus operating expenses. The County implemented these new standards in fiscal years 2023 and 2024.

The County's current materiality threshold for GASB 87 and 96 is set at agreements with a total value of \$200,000 and greater. With the implementation of both GASB pronouncements and its relevance to the recognition of debt obligations, staff recommend increasing the materiality threshold for recognizing these agreements as long-term debt to \$500,000 and greater. This materiality threshold aligns with the NC Local Government Commission debt issuance approval thresholds. NCGS 159-148 requires units of government to seek LGC approval for financing agreements relating to the lease, acquisition or construction of capital assets when the agreement extends for five years, and the sum of the obligation is at least \$500,000.

Through the establishment of a standardized benchmark for materiality, minimal lease and subscription-based software agreements will not be recognized as long-term debt but appropriated as an operating expense within the budget.

d. Staff recommended the Board of Commissioners amend the 2023 Urgent Repair grant project budget ordinance to appropriate \$1,134 in interest earned for housing rehabilitation activities.

Catawba County received a \$132,000 Urgent Repair Grant in 2024 from the North Carolina Housing Finance Agency. A total of \$1,134 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.

Supplemental Appropriation

280-420143-849120	Urgent Repair 2023	\$1,134
280-420143-680300	Interest on Investments	\$1,134

e. Staff recommended the Board of Commissioners amend the previously approved purchase price for Sherrills Ford-Terrell Fire Station located at 4385 Mt. Pleasant Road by \$18,000 and appropriate the funds necessary to complete this transaction from a previously completed capital project.

At its regular meeting on December 16th, 2024, the Board of Commissioners approved the purchase of the Sherrills Ford-Terrell Fire Station located at 4385 Mt. Pleasant Road for \$475,000 to secure future EMS expansion capacity in a growing part of the community. Earlier this month, County staff and the Sherrills Ford-Terrell Fire Department discovered a mathematical error in calculating the previously approved purchase price which resulted in an approved price that was \$18,000 lower than what Catawba County had conceptually committed to. Staff therefore requests the authorized purchase price be amended from \$475,000 to \$493,000, and all funds be appropriated to support this transaction. (Sufficient funds to support this request are available in the recently completed St. Stephens EMS Base project; no new appropriation is required.)

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

10. Other Items of Business. None.

11. Manager's Report. None.

12. Attorney's Report.

a. County Attorney Jodi Stewart requested the Board of Commissioners approve termination of the Economic Development Agreement between Catawba County, Piccinini's Trader LLC, and Piccinini SRL.

In February 2023, Catawba County entered into an Economic Development Agreement (EDA) with Pasta Piccinini (Piccinini's Trader LLC and Piccinini SRL), an Italian food manufacturer, to support its planned relocation to Newton, NC. The company initially proposed a \$3 million investment and the creation of 27 jobs at the facility located at 721 Shea Road.

The project involved renovating 22,500 square feet of the 67,500-square-foot facility for food-grade production, with plans to scale operations into the remaining space over time. The County committed to supporting the project through a 50% property tax grant for two years and contributing to the NC Building Reuse Grant of \$175,000 with a 5% local match (split with the City of Newton).

EDC reported productive discussions throughout 2023 and purchase of the facility by the company, but communication with the company and their development partners diminished significantly soon after. Despite numerous attempts by the EDC to engage the company directly and through intermediaries over the past year, the project does not appear to be moving forward, and the building the company purchased is expected to have a new owner in the very near future.

The local EDAs with the company were performance-based, contingent upon job creation and investment milestones, none of which were met. As a result, no payments were made, and the agreements can be terminated without financial impact to the County. These actions will enable the County to appropriately close out all remaining administrative matters tied to the project.

Commissioner Abernethy made a motion to approve termination of the Economic Development Agreement

between Catawba County, Piccinini's Trader LLC, and Piccinini SRL. The motion carried unanimously.

The following termination agreement applies:

**TERMINATION OF ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
Piccinini's Trader LLC and Piccinini SRL LLC and Catawba County
Dated February 7, 2023**

Catawba County: Catawba County
 25 Government Drive
 Post Office Box 389
 Newton, NC 28658

Companies: Piccinini's Trader LLC
 950 N. Fair Oaks Avenue
 Pasadena, CA 91103
 Attn: Niccolo Paglia

 Piccinini's SRL LLC
 950 N. Fair Oaks Avenue
 Pasadena, CA 91103
 Attn: Niccolo Paglia

THIS TERMINATION AGREEMENT (hereinafter "Agreement") is made and entered into this the ____ day of ____, 2025, by and between the **Catawba County** (hereinafter sometimes referred to as "County"), a North Carolina body politic, party of the First Part, and **Piccinini's Trader LLC and Piccinini SRL LLC** ("Piccinini" or "Companies"), Limited Liability Companies, parties of the Second Part.

WITNESSETH:

WHEREAS, the County and Companies on February 7, 2023, executed and delivered that certain Economic Development Agreement (hereinafter "EDA") relating to certain terms and conditions pursuant to which the County would make certain appropriations as incentives to assist Companies in carrying out a project (the "Project") involving the acquisition, construction and equipping of a manufacturing facility at 721 Shea Road, Newton, NC (Parcel ID# 364910266451) (sometimes herein referred to as the "Property") at a cost of not less than Three Million Dollars (\$3,000,000) with creation of a minimum of Twenty Seven (27) net new jobs at the facility, with improvements to be made between September 1, 2022 and December 31, 2023 (the "Improvement Period") and net new jobs to be created between September 1, 2022 and December 31, 2025 (the "Job Creation Period"); and

WHEREAS, Companies have been removed from the State of North Carolina Rural Infrastructure Authority Building Reuse Grant program for not meeting the job creation or investment criteria; and

WHEREAS, Companies have not met the investment obligations in excess of Three Million Dollars (\$3,000,000) by December 31, 2023, which is an event of default under Paragraph 8.a. of the February 7, 2023 EDA; and

WHEREAS, Companies have not filed for nor requested payment of incentives by County in anticipation of Companies' being unable to meet the investment and net new jobs requirements of the EDA; and

WHEREAS, County to date has not paid any incentives under the EDA and desires to terminate Catawba County's EDA with the Companies; and

WHEREAS, the parties hereto have agreed to terminate the existence of the EDA.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises set forth in this Agreement, and of other consideration, the receipt and sufficiency of which is now acknowledged by the parties, the County and Companies do hereby agree as follows:

I. Termination of Economic Development Agreement.

Upon the execution of this Agreement, the EDA shall be terminated and shall be of no further force or effect, with County and Companies each being completely and finally released from any obligation of performance, past, present or future, under said Agreement.

II. Miscellaneous.

A. Binding Effect. This Agreement shall inure to the benefit of, and is binding upon the County and Companies and their respective successors and assigns.

B. Modification. Except as otherwise provided in this Agreement, this Agreement may not be amended, changed, modified or altered except by written agreement of the parties.

C. Notices. 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, proper address as follows:

Catawba County: Catawba County
 Attn: Mary Furtado, County Manager
 Post Office Box 389
 Newton, NC 28658

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

Companies: Piccinini SRL LLC
950 N. Fair Oaks Avenue
Pasadena, CA 91103
Attn: Niccolo Paglia

and to:

Piccinini's Trader LLC
420 N. Montebello Boulevard
201
Montebello, CA 90640
Attn: Stefano Piccinini

Piccinini's Trader LLC
420 N. Montebello Boulevard
201
Montebello, CA 90640
Attn: Matteo Piccinini

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

D. Counterparts. 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.

E. Situs. This Agreement is governed by and shall be construed in accordance with the laws of the State of North Carolina.

F. Costs. Except as otherwise specifically set forth herein, each party shall bear its own legal and other costs and fees with respect to the transactions contemplated under this Agreement

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

Catawba County,
A North Carolina Body Politic

Attest:
(SEAL)

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

Dale R. Stiles, 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 _____, 2025.

[Seal]

Notary Public

My commission expires: _____

APPROVED AS TO FORM

Date: _____

Jodi Stewart, County Attorney

Piccinini's Trader LLC

By: _____ (SEAL)

Piccinini SRL LLC

By: _____ (SEAL)

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____ a Notary Public of said County and State, do certify that _____, _____, personally appeared before me this day and acknowledged on behalf of Piccinini's Trader LLC, a limited Liability Company, the voluntary due execution of the foregoing document, all for the purposes therein expressed.

Witness my hand and seal this _____ day of _____, 2025.

[Seal]

Notary Public

My commission expires: _____

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____ a Notary Public of said County and State, do certify that _____, _____, personally appeared before me this day and acknowledged on behalf of Piccinini SRL LLC, a limited Liability Company, the voluntary due execution of the foregoing document, all for the purposes therein expressed.

Witness my hand and seal this _____ day of _____, 2025.

[Seal]

Notary Public

My commission expires: _____

b. County Attorney Jodi Stewart requested the Board consider moving into Closed Session pursuant to North Carolina General Statutes 143-318.11(a) (3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged; (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations; and (5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. Attorney Stewart did not anticipate any action upon return to open session. Commissioner Setzer made a motion to enter closed session for that purpose. The motion carried unanimously.


13. Adjournment. No further action was taken. Upon a motion by Commissioner Barbara G. Beatty which unanimously carried, the meeting was adjourned at 8:10 p.m.

Randy Isenhower, Chair
Catawba County Board of Commissioners

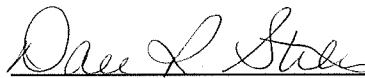
Dale R. Stiles
County Clerk

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Dale R. Stiles
County Clerk

