

Regular Session, April 21, 2025, 7:00 p.m.
Catawba County Board of Commissioners

Budget

FY25 Budget Amendment: Revenue Appropriation	327	04/21/25
Catawba County Schools Budget Transfer Request	329	04/21/25
FEMA Project – Riverbend Park Culvert Replacement	331	04/21/25

Education

Catawba County Schools Budget Transfer Request	329	04/21/25
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JCPC

FY25-26 Catawba County Juvenile Crime Prevention Committee Annual Plan	327	04/21/25
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Parks

FEMA Project – Riverbend Park Culvert Replacement	331	04/21/25
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Public Comment

Michael James McRee	326	04/21/25
Sherrill Watkins	326	04/21/25

Tax

March Tax Releases, Refunds and Adjustments	332	04/21/25
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The Catawba County Board of Commissioners met in Regular Session on Monday, April 21, 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 Barbara G. Beatty, and Cole Setzer. Commissioner Robert C. Abernethy, Jr., was not present.

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. Commissioner Barbara G. Beatty offered the invocation.
4. Commissioner Beatty made a motion to approve the Minutes from the Board's Regular Meeting of April 7, 2025 and Special Meeting of April 14, 2025. The motion carried unanimously.
5. Recognition of Special Guests:
Chair Isenhower welcomed everyone present.
6. Public Comments.
Michael McRee came forward requesting the monument on the grounds of the 1924 Courthouse not be removed. Sherrill Watkins came forward and addressed concerns with school population and potential layoffs.
7. Consent Agenda.

County Manager Mary Furtado presented the following five items under the consent agenda. Chair Isenhowe 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 appropriate a total of \$2,062,927 in current-year revenue over-collections (\$1,412,927 in Medicaid Hold Harmless revenue and \$650,000 from the sale of surplus county-owned property) to address various one-time capital expenses.

Medicaid Hold Harmless Revenue

When the state assumed full responsibility for Medicaid expenses in July 2009, counties gave up 0.5 percent sales tax levied under Article 44 to the state. Cities had no responsibility for Medicaid expenses but lost the shared sales tax revenue as well. As a result, counties were required to hold municipalities harmless for their lost revenue. Because not all counties benefited equally from this exchange, the legislation included a hold harmless provision that guaranteed every county would benefit by a minimum of \$500,000 from no longer incurring Medicaid expenses, despite the lost revenue and municipal hold harmless requirement.

Financially, this exchange has been positive for counties. The nation entered a recession shortly after the legislation's adoption, causing sales tax revenue to dramatically decrease while Medicaid costs increased. Catawba County benefited more from the Medicaid swap than guaranteed by the legislation until Fiscal Year 2018/19, when it received its first small hold harmless payment of \$215,707. Revenue progressively increased each year thereafter to a high of \$2.89 million in Fiscal Year 2022/23, then dropped to \$831,295 last fiscal year due to a combination of increased Medicaid recipients and slowing sales tax receipts. This trend demonstrates the revenue stream's sensitivity to changes in the economy. Through the annual budget, the County takes a conservative approach to budgeting this revenue. In FY25, Medicaid Hold Harmless revenue has exceeded budgeted revenue by \$1,412,927, which is requested to be appropriated towards the one-time needs identified in the table below.

Proceeds from the Sale of a County-owned Surplus Property

On February 17, 2025, the Board of Commissioners approved a resolution declaring the County-owned property located at 17 Hwy 70 SE, Hickory, North Carolina surplus and beginning the upset bid process, based on an offer to purchase the property by Everett-Two, LLC in the amount of \$650,000. Staff recommended appropriating the proceeds from this property sale towards the existing Agricultural Resource Center (ARC) Renovations project that will convert the former CVCC East Campus building to serve as a new home for the services currently housed in the County's ARC Building and Catawba County Schools' Catawba Rosenwald Education Center.

Department	Account#	Appropriation	Description
General Capital Projects - Lincoln County Line Impacts	410-460100-863100-11300	\$275,000	To address school enrollment impacts related to the re-established Catawba-Lincoln County line.
General Capital Projects – Park Improvements	410-460100-842580-18016	\$55,000	Irrigation system at Mt. Creek Park; septic field replacements at Bakers Mountain and Riverbend Parks.
General Capital Projects – Park Improvements	410-460100-985000-18016	\$40,000	Tractor for mowing steep inclines and other project work at parks.
General Capital Projects – Communication Infrastructure	410-460100-985000-12028	\$201,000	\$110,000 for replacement of 3 end-of-life point-to-point microwaves; \$91,000 for Justice Center tower maintenance.
General Capital Projects – ERP Replacement	410-460100-982000-11205	\$750,000	Adds funds to existing capital project for replacement of Enterprise Resource Planning (currently Peoplesoft) software for Human Resources, Finance, Purchasing, and Budget. Targeting 2030 new system implementation.
General Capital Projects – General Renovations	410-460100-982000-11018	\$45,000	Generator Management system and equipment; system monitors fuel levels and notifies staff of scheduled preventive maintenance.
General Capital Projects – General Renovations	410-460100-988000-11018	\$46,927	Ongoing general renovations project account; covers wide range of small maintenance and renovation projects county-wide.
Total	110-190050-611460	\$1,412,927	FY25 Medicaid Hold Harmless Appropriation
General Capital Projects – Agricultural Resource Center Reno	410-460100-988000-13001	\$650,000	Adds funds to existing ARC / Catawba Rosenwald Education Center renovation project.
Total	110-190050-680700	\$650,000	Sale of Property

SUPPLEMENTAL APPROPRIATION

Revenue:

110-190050-611460	Medicaid Hold Harmless	\$1,412,927
110-190050-680700	Sale of Property	\$650,000
410-460100-695110	Transfer from General Fund	\$2,062,927

Expense:

Specific General Capital Projects Fund (410) appropriations as detailed above	\$2,062,927
110-190900-995410 Transfer to General Capital	\$2,062,927

b. The Finance and Personnel Subcommittee recommended the Board of Commissioners approve an existing project funds transfer of \$2,937,305.23 to address renovations at Maiden Middle and roof replacement at Maiden High School.

Maiden Middle School Renovations

Maiden Middle School was originally constructed as Maiden High School in 1952, a purpose it served until the new Maiden High School opened in 2005. The middle school has undergone multiple renovations and additions over the years, the latest of which took place in 1993. Maiden Middle School renovations are Catawba County Schools' next major construction priority. Two years ago, the school system sought a Needs-Based Public School Capital Fund grant for \$29 million for the project but was unsuccessful. Since that time, Catawba County Schools has broken the planned renovations into smaller phases to be able to keep moving forward. Catawba County has funded \$3,609,720 to date towards planning efforts and renovations at Maiden Middle, a portion of which was needed to address emergent roofing needs. The project has an available balance of \$2,857,187.

Catawba County Schools has developed a proposed project to begin addressing needs at Maiden Middle School during the upcoming summer break, with a total estimated cost of \$4,823,000:

- Replacement of existing HVAC system, which involves 66 new mechanical units and a new control system.
- Replacement of existing spline ceilings with suspended ceilings and lighting in 20,000 square foot area of the building, including removal of exposed hydronic piping and related masonry repairs to allow easy future mechanical installation.
- Installation of a security vestibule at the school's entrance, including new entrance doors, storefront windows, and handicap accessible ramp. (Maiden Middle School is one of two schools in the County district without a security vestibule.)
- Replacement of a fire alarm system, to include underground conduit routing to accommodate future additions/renovations. (The current fire alarm system cannot be repaired or expanded and is incompatible with the new HVAC system.)
- Copper supply piping and new cable trays will also be installed above the ceiling, in preparation for future expansion and renovation.

Maiden High School Roofing

Since Maiden High School was constructed 19 years ago, it has struggled with roof leaks due to faulty installation of its metal roof system. Catawba County Schools has worked with the general contractor and roof material manufacturer throughout the life of the school to attempt to mitigate the problems and obtain a watertight roof, to no avail. During this time, the school system has incurred significant expenses related to ceiling tile replacement, painting, equipment rental to address leaks, and maintenance staff time. Based on the most recent roofing assessment, the school system is requesting to transfer funds to replace 80,000 square feet of roof in the school's center (where most of the leaks have occurred), at an estimated cost of \$2,096,334. Catawba County Schools currently has \$1,519,230 available to put towards this project and requests to transfer \$698,491.46 from existing capital projects.

Available Capital Construction Funds

To cover the funding gaps for Maiden Middle and High School, County staff worked with Catawba County Schools to develop a plan to transfer / consolidate \$2,937,305 in previously approved funds from 4 separate projects. Transfers are requested to come from:

- Maiden Middle School Renovations in Schools' Construction Fund:
 - Roofing in Schools' Construction Fund – \$767,872.77
 - Paving in Schools' Annual Capital Fund – \$1,470,941
- Systemwide Roofing in Schools' Annual Capital Fund
 - Maiden Middle in Schools' Annual Capital Fund – \$448,491.46
 - Land Purchase in Schools' Annual Capital Fund – \$250,000

Transfer:

From:

423-740100-863200-31150-3-07	Roofing (Construction)	\$767,872.77
420-750100-863200-31150-3-31	Paving	\$1,470,941
420-750100-863200-31113-3-01	Maiden Middle Renos (Annual Cap)	\$448,491.46
420-750100-863200-31150-1-04	Land Purchase	\$250,000

To:

423-740100-863200-31113-3-01	Maiden Middle Renos (Construction)	\$767,872.77
420-750100-863200-31150-3-07	Roofing (Annual Cap)	\$698,491.46
420-750050-995423-30050-9-02	Transfer to Schools Construction	\$1,470,941

Supplemental Appropriation:

Revenue:

423-740100-695420	From Schools Construction	\$1,470,941
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Expense:

423-740100-863200-31113-3-01	Maiden Middle General Renovations	\$1,470,941
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c. The Finance and Personnel Subcommittee recommended the Board or Commissioners approve its Fiscal Year 2025/26 Annual Plan.

The Catawba JCPC is a locally appointed board, with members drawn from a list of statutorily recommended community representatives involved with youth, that exists to identify risks of youth in the community, review court data, and identify needed programs to provide juvenile delinquency intervention and prevention services. Funding is provided by the State through the North Carolina Department of Public Safety (DPS) to each county, which then allocates these funds to programs through the JCPC process.

Annual Plan Development Process: The JCPC is charged with developing a County Plan for review and approval by the Board of Commissioners. Steps in the annual process include:

1. Development of a risk and needs assessment summary, with funding priorities for the coming year:
 - Psychological services
 - Substance Abuse assessment and treatment
 - Teen Court/Restorative Justice
 - Counseling
 - Sexual Offender assessment and treatment
 - Restitution/Community Service
 - Mentoring
 - Interpersonal Skill building
 - Mediation/Conflict Resolution
 - Family Skill Building
2. Advertisement of request for proposals (RFP) for service providers to propose services that fall within the funding priorities. (*advertised January 6, 2025*)
3. Review of proposals and development of funding recommendations for services that address the risks and needs. (*approved by JCPC March 6, 2025*)
4. Adoption of the full County Plan (*approved by JCPC April 1, 2025*).
5. Submission of the County Plan to the Board of Commissioner for approval.

The recommended Annual Plan for Fiscal Year 2025/26, which consists of the following:

- I. Executive Summary. Summarizes the Catawba JCPC's funding priorities
- II. Funding Plan. Lists recommended allocation by program, and sources of required matches.
- III. JCPC Organization. A list of JCPC officers, meeting dates, and whether quorums were present.

- IV. Risk and Needs Assessment Summary. Summarizes court data over four years and compares it to State averages in two areas: Risk data – predicts likelihood of juvenile being involved in future delinquent behavior; and Needs data – examines a youth's needs in various domains of life (individual, school, peer and community). The combined data is used to detect gaps in service and is the basis of the prioritized list of services for funding.
- V. Requests for Proposals. This section verifies JCPC ran a legal advertisement based on risks and needs as required, including the dates the ad ran.
- VI. Funding Decisions Summary. The JCPC Finance Committee reviews proposals for the next year and lists reasons supporting the funding decision.
- VII. Funded Programs Program Enhancement Plan (PEP). Programs are evaluated against best practice models. Based on the evaluation, areas of improvement are identified, and a performance plan written, which must be reviewed and accepted by the JCPC.

Funding Recommendations

The Catawba JCPC Annual Plan does not require any local Catawba County funding. For Fiscal Year 2025/26, the JCPC anticipates receiving \$431,225, with final funding subject to the State budget. No new programs applied for funding this year, and one program originally funded in Fiscal Year 2024/25 ceased operations in September, freeing funding for other services. The recommended services to be funded for the upcoming year are detailed below, with funding changes from the current year denoted. (These changes were driven primarily by increased service demands.)

- JCPC Administration: \$2,000 – (Previously budgeted at \$14,000) - Historically, the JCPC has funded a contracted Administrative Assistant to provide support to the Council. These services will now be provided in-house by the County Grants Manager, enhancing financial oversight and freeing \$12,000 for additional youth services. The remaining \$2,000 will be used for direct expenses including advertising, travel, supplies, etc.
- Conflict Resolution Center: \$99,674 for interpersonal skills, mediation, and restorative justice / Teen Court (\$7,277 increase);
- Cognitive Connection: \$71,725 for substance abuse counseling and assessments;
- Repay – \$59,127 SAIS program for sex offender assessment and treatment (\$6,000 increase);
- Repay – \$29,475 for “Just Girls” counseling service for female at-risk youth (\$1,490 increase);
- Repay - \$19,491 for Psychological Services for comprehensive clinical assessments (\$1,500);
- Aspire / Kids At Work: \$47,000 for interpersonal skills and culinary program;
- Aspire / Vocational Directions: \$73,182 for a restitution/community service program (\$2,182 increase);
- Shining Hope Farms: \$29,551 for family skill building therapy sessions. This program was newly funded during Fiscal Year 2024/25 at \$19,551.

d. The Finance and Personnel Subcommittee requested the Board of Commissioners appropriate funds to establish the Riverbend Park culvert replacement project, which will be reimbursed by FEMA; authorize the County Manager to submit a letter to FEMA requesting construction of a bridge to replace the culvert at Riverbend Park as an alternate project and adopt a grant project ordinance for the Riverbend Park culvert replacement project.

The President declared a major disaster for the State of North Carolina on September 28, 2024, as a result of Tropical Storm Helene. This declaration authorized FEMA to provide, through its Public Assistance Program, reimbursement or direct Federal assistance to eligible state, local, tribal and certain private-non-profit organizations applicants for emergency work. The Public Assistance Program is authorized by Sections 403, 406, and 407 of the Stafford Act. Amendment No. 1, Issued October 2, 2024, to the notice of major declaration for the state of North Carolina (FEMA DR-4827-NC), dated October 2, identified Catawba County for permanent work (categories C-G).

During Tropical Storm Helene, both culvert pipes located at Riverbend Park failed, causing massive flooding and impacting the walking trail over the culvert. Over the last 20 years, the use of a culvert to handle large water flow volumes during significant weather events has been challenging for Parks staff to manage. In 2004, during Hurricane Frances, the culvert could not handle the volume of water, flooding surrounding

trails. In 2019 flash flooding washed out a section of the bank, due to the culvert disrupting the flow of water. As a result of the most recent culvert failure, the County applied for FEMA Public Assistance funds to repair the culvert. Upon evaluating repair options, and at the request of FEMA, the County contracted with Resource Environmental Solutions, LLC to evaluate the site and prepare a hydrologic and hydraulic (H&H) report for FEMA to review. The H&H analysis presents three options:

Option 1 would repair the culvert to the same condition prior to the storm with the same pipe size. The estimated cost for option 1 is \$122,500.

Option 2 would repair the culvert to a similar condition prior to the storm; however, utilizing larger sized pipes for better water flow than option 1. The estimated cost for option 2 is \$127,500.

Option 3 would replace the culvert with a small bridge to handle water volume and free flow of water. The estimated cost for option 3 is \$183,000.

Based on the H&H analysis, option 3 is the recommended option to replace the destroyed culvert crossing. The bridge offers the best long-term solution from a level of service, stream stability, and aquatic passage standpoint. This option will have the least long-term impact on the stream ecosystem. Because it involves a installing bridge versus replacing a culvert, the project would be classified as an alternative project and must be specifically requested and authorized via a letter that lays out the justification.

The FEMA federal share of the project is \$164,700 (or 90%), while the state share is \$18,300 (or 10%). Once final approvals are processed by FEMA, the County can begin the procurement process and enter into design and construction contracts not to exceed the alternate project total cost of \$183,000.

Appropriation

Revenue

410-460100-640150	FEMA-Disaster Recovery Funds	\$183,000
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Expenditure

410-460100-988000-18037	Riverbend Park Culvert Replacement	\$183,000
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The Board authorized the appropriate funds to establish the Riverbend Park culvert replacement project, which will be reimbursed by FEMA; authorized the County Manager to submit a letter to FEMA requesting construction of a bridge to replace the culvert at Riverbend Park as an alternate project and adopted a grant project ordinance for the Riverbend Park culvert replacement project. Due to the absence of Commissioner Abernethy, the item will be presented on May 5, 2025, for the second reading.

e. The Tax Administrator requested the Board of Commissioners to approve nine releases totaling \$1,463.75, 51 refunds totaling \$36,881.81, and 72 Motor Vehicles Bill adjustments / refunds totaling \$5,991.53 requested during the month of March.

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 March, Tax Office staff have checked records and verified the legitimacy of nine release requests totaling \$1,463.75, 51 refunds totaling \$36,881.81 and 72 Motor Vehicle Bill adjustments / refunds totaling \$5,991.53.

Common reasons for the release of tax bill amounts include change in values and months, change in situs, businesses closing / being sold, clerical errors, creation of bills below billing threshold of \$5.00. The refunds are due to billing adjustments needed to release value inadvertently distributed in duplicate, bills created in error and Property Tax Commission Settlement. The motor vehicle bill adjustments are largely due to pro-

ration of tax bill amounts to account for mid-year transfers of ownership, change in values and change in situs.

COMMISSIONER APPROVAL OF RELEASES & REFUNDS

TIME PERIOD: March 1, 2025 Thru March 31, 2025

PROCESSED: April 21, 2025

REGULAR RELEASES	
MOTOR VEHICLE	\$0.00
REAL & PERSONAL	\$1,463.75
TOTALS	\$1,463.75

NEW MOTOR VEHICLE SYSTEM REFUNDS (VTS)	
MOTOR VEHICLE NCVTS	5,991.53

REGULAR REFUNDS	
MOTOR VEHICLE	
REAL & PERSONAL	\$36,881.81
TOTALS	\$36,881.81

COUNTY GRAND TOTAL \$38,345.56


RANDY ISENHOWER
CHAIRMAN OF THE BOARD
CATAWBA COUNTY BOARD OF COMMISSIONERS

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

8. Other Items of Business. None.
9. Manager's Report. None.
12. Attorney's Report. None.
13. Adjournment. No further action was taken. Upon a motion by Commissioner Beatty which unanimously carried, the meeting was adjourned at 7:19 p.m.



Randy Isenhower, Chair
Catawba County Board of Commissioners



Dale R. Stiles
County Clerk