Caldwell County
North Carolina
Board of Commissioners Meeting

January 29, 2026, at 6:00 PM
City-County Chambers
905 West Avenue NW, Lenoir

MINUTES

Attendance

Randy T. Church, Chairman
Mike LaBrose, Vice-Chairman
Jeff Branch, Commissioner
Donnie Potter, Commissioner
Patrick Starnes, Commissioner
Shane Fox, County Manager
Destin Hall, County Attorney
Iris Whitt, Interim County Clerk

Call to Order Chairman Randy T. Church
Chairman Church called the January 29, 2026, Board of Commissioners meeting to order at 6:02 PM.

Public Comment Period
There were no individuals who signed up for public comments.

Invocation Pastor Brandon Thomas, Calvary Advent Christian Church
Pastor Brandon Thomas from Calvary Advent Christian Church led the invocation for those in attendance.

Pledge of Allegiance Commissioner, Patrick Starnes
Commissioner Patrick Starnes led the Pledge of Allegiance for those in attendance.

Agenda Amendments from the Board, Manager & Public
There were no amendments to the agenda.
Commissioner LaBrose made a motion to accept the agenda as presented. The motion carried unanimously.

Agenda Items

1. Opening of "Our Story: The History of Caldwell County" Exhibit

Paige Counts came to the podium to give recognition at the opening of "Our Story: The History of Caldwell County" exhibit. Ms. Counts thanked the Board of Commissioners for approving a grant that allowed the exhibit in the hallway. Also, she gave special thanks to Kierston Banks for taking all the facts and producing the exhibit, and Facility Services for their hard work in hanging the frames. Appreciation was given to the committee that worked on getting this information for the exhibit. There was information for almost every community in our county. Ms. Counts hopes this display will educate the county and encourage them to go to history museums. The Board of Commissioners recognized the committee members: Kierston Banks, Nelson Brookshire, Sharon Bryant, Pam Smith Cooke, Linda Richards Crowder, Cindy Hedrick Day, Mayor Joe Gibbons, and Eric Stafford. Committee members not present were: Amber Bryson, Brenda Floyd, and Sherry Hartsoe Sigmon. A group photo was taken.

2. Charlotte Interbasin Transfer Update

Anthony Starr from Western Piedmont Council of Governments gave an update on the Charlotte Interbasin Transfer. In the spring of 2024, Charlotte began the process for a water request from the Catawba River Basin that could potentially have very serious consequences for all the communities up and down the Catawba River. Mr. Starr explained that an interbasin transfer is when a community, such as Charlotte, withdraws water from the Catawba River or other river chain, uses it, and discharges it into a different river basin. In some cases, they will pull the water out and return part of it through their wastewater treatment process, but in other parts they transfer it over a ridge line, use it, and it doesn't get returned. The concern is the water that is transferred over the ridge line and never returned. This has economic and environmental negative impacts on the source basin. Currently, Charlotte has 33 million gallons per day interbasin transfer certificate that was issued in 2002. A drought can cause a threat to the Catawba River Basin. Duke Energy manages our river system together. Duke Energy can pull water down the river chain to supply the needs. There have been two severe droughts. The first in 1998-2002 and then in 2007-2009. When lake levels get so low from drought, water cannot be pulled out for drinking or other public uses. During the 2007-2009 drought, Charlotte continued pulling water from the Catawba and lost more than 19% of every gallon through leaks in its system and inefficiencies. This is an average of 23 million gallons per day, which is on the high side. Commissioner Potter stated in the 2008/2009 drought that caused the City of Lenoir to expand their intake into Lake Rhodhiss. The City of Lenoir made modifications to push it out further into the lake so they could draw more water in the future. Charlotte announced its intent to request 30 million gallons per day for a total of 63 million gallons per day. The increase in the Interbasin Transfer would serve about 300,000 more people in eastern Mecklenburg. The water flow out of the Catawba River is decreasing. Charlotte wants to transfer more water out of the river basin at a time when our water flow is decreasing. Charlotte's water rates are more affordable as a percentage of median household income in more than 90% of other North Carolina utilities. Mr. Starr states the interbasin transfer means cheaper water for Charlotte and more expensive water for Catawba River basin communities. Mr. Starr discussed the legal impacts of continuing to approve interbasin transfers and exhausting our resources. Mr. Starr explained that Charlotte had alternatives to minimize harm to Catawba River basin communities. For Charlotte to avoid an Interbasin Transfer, it would require about a 12% increase in the Charlotte Water capital budget over the next

15 years to build the infrastructure to eliminate the Interbasin Transfer. Mr. Starr believes this is a reasonable request. Charlotte pays less for water, received federal funds for water infrastructure, and supported a tax increase for other non-water infrastructure. The Catawba River coalition includes local governments from Alexander, Burke, Caldwell, Catawba, and McDowell counties. The Catawba River Coalition requested the Western Piedmont Council of Governments facilitate the efforts to fight this Interbasin Transfer. The EMC will hold a public hearing on the Environmental Impact Statement (EIS) sometime after the EIS is submitted in 2026 or 2027. Mr. Starr thanked the Board for their support since this first started back in February or March 2024. The Environmental Management Commission is established by state law and appointed by state leaders to approve and review potential interbasin transfers among other things. There will be an environmental impact statement and a public hearing at some time as early as 2027. Mr. Starr mentioned a few key points from the Charlotte Interbasin Transfer. Our region's future growth could be limited. Charlotte's growth shouldn't occur at our expense. The limited resources of the Catawba River shouldn't be used to subsidize huge growth outside the river basin. Charlotte should implement policies and infrastructure improvements. Interbasin transfers could make the impacts of severe droughts worse for other communities along the Catawba River. Legislation was passed last year, HB 850, Interbasin Transfer Moratorium/Study. This imposes a moratorium on large interbasin transfers exceeding 15 million gallons per day. This House Bill directs the North Carolina Collaboratory at UNC-Chapel Hill to do a study and provide recommendations to the North Carolina General Assembly convening in 2027. The moratorium lasts until March 2027. The study is due with its recommendations in January 2027. Mr. Starr says they are asking for two key things from the study through all of this. The first thing is a "shot clock" for large interbasin transfers, such that interbasin transfers are temporary and time limited. The second is a drought mitigation fund for impacted communities to use if an interbasin transfer is approved within the relevant basin. Mr. Starr stated that coalition members can engage your state legislators, engage the Collaboratory to share your local perspective and keep this at the forefront of people's minds. Mr. Starr thanked the Board for their support of Western Piedmont Council of Governments along the way. Commissioner Potter shared that from day one the Board has been heavily involved with this matter. Commissioner Potter stated they were required to do a needs study, but an impact study downstream wasn't required. Commissioner Potter asked Mr. Starr if that had been resolved. Mr. Starr stated they must do an Environmental Impact Statement that is supposed to look at the impact. Mr. Starr explained the process. The impact statement goes to the Environmental Management Commission, and they will have a hearing. Then stakeholders like ourselves are given an opportunity to say how their report is not adequate, or whether they should consider other things. The Environmental Management Commission takes all that into consideration to decide whether to approve the interbaisin transfer, and what conditions it might place on the entity requesting it. Commissioner Potter said their initial concern was the 19% loss that Charlotte Water has. Commissioner Potter stated if Charlotte repaired their infrastructure, they would almost have enough to cover what they were asking for. Mr. Starr stated it would substantially reduce the amount of water Charlotte would need. The average nationwide water loss is 14% and Charlotte is 19%. Mr. Starr stated he believes the system should be efficient before you ask to transfer more water from the basin. Commissioner Potter stated that Charlotte Water hasn't done anything but transfer this burden. Commissioner Potter said it's not our responsibility or the burden of Charlotte's mismanagement of the rural counties of Western North Carolina. Commissioner Potter assured the citizens of the county that the Board is fully involved and engaged in not letting this happen if the county has anything to do with it.

Chairman Church stated that at 19% a day, Charlotte is losing about 23 million gallons per day. Mr. Starr stated that this is more water than any of our utilities produce for their entire system. Commissioner Branch asked who sits on this Interbasin Committee. Mr. Starr explained that the Environmental Management Commission is a state commission, appointed by state leaders which consists of the Governor, and legislative leaders have the opportunity to nominate members. Commissioner Potter stated that our county was blessed to have a Caldwell County citizen who is an engineer sitting on that board. Commissioner LaBrose thanked all the legislators all up and down the Catawba River basin and their help with HB 850. Commissioner LaBrose shared that back before 2007; this County had the forethought to purchase land up in Happy Valley that had millions of gallons in an aquifer. Commissioner LaBrose stated there may have been some debate on how we could get that water out of Happy Valley into Lenoir. Commissioner LaBrose stated that except for his vote, the Board at that time voted to sell this property. Commissioner LaBrose stated that there was a really strong team that supports the counties up and down the chain, and the Board will continue to fight as long as it takes. Chairman Church thanked Mr. Starr.

3. Tax Liens On Real Property

The Tax Administrator, Josh Angle came to the podium to discuss tax liens on real property. Mr. Angle stated that, in accordance with NCGS 105-369, he was reporting the number of accounts and dollar amounts of unpaid taxes for the 2025 tax year that are liens on real property. The following numbers have been revised as of today. The total number of outstanding accounts for 2025 is 6,936. The sum of these accounts is $3,271,525.82. An alphabetical listing of these accounts is available in the County Tax Office. Mr. Angle came before the board to report this information and to request the authority to advertise the 2025 property tax liens. Chairman Church made a motion for the Tax Administrator to advertise the tax liens for 2025. The motion carried unanimously.

4. Presentation of audit for fiscal year 2024-2025

A presentation was given by Kang Moua with Martin Starnes and Associates on the county's audit for fiscal year 2024-2025. Ms. Moua reported a clean, unmodified opinion for the 2024-2025 fiscal year audit. An unmodified opinion is issued when an auditor can state without reservation that the financial statements are fairly presented. Ms. Moua reported that there were no material weaknesses, and no significant deficiencies. Ms. Moua gave an overview of the general fund budget. Actual revenues were over budget by $923,000, mainly in sales and services. Expenditures were under budget by $9.5 million, mainly in general government, public safety, and human services. For other financing sources and uses, the budget includes $8.5 million of appropriated fund balance and actually includes transfers from other funds of $671,000, least liabilities issued of $822,000 and long-term debt issued of $1.7 million offset by transfers out of $21,000. The total revenue was $98.6 million in 2025. Ad valorem taxes are approximately 57% of the total revenue. Restricted intergovt'l, which includes federal and state grants, is 16% of the total revenue. Local option sales tax is 12% of the total revenue. The remainder of the revenues is 16% of the total revenue, which consists of other taxes and licenses. Ms. Moua gave an overview of the expenditure for the general fund. The total expenditure for 2025 is $100 million. Public safety is made up of 30% of the total expenditure. Human Services includes DSS and Health is approximately 23% of the total expenditure. Education is approximately 19% of the total expenditure. The other expenditures are the remaining 28% and this includes general government,

environmental protection, economic and physical development, cultural, recreational, and debt services. Ms. Moua talked about the fund balance for the general fund. Ms. Moua stated that in 2025 the available fund balance and percentage increased by 1.7%. The LGC minimum fund balance percentage is 20%. Ms. Moua stated the county is above that. Ms. Moua reported on the water fund operations, showing revenues, expenses, and resulting operating income or loss along with cash generated from operations. Ms. Moua gave a comparison of the quick ratio for the water fund. Ms. Moua stated the LGC is concerned with a quick ratio of less than 1, which the county is above that. Ms. Moua gave some general performance indicators. Ms. Moua stated the audit was submitted in the required time frame. There was a stable property tax valuation & collection percentage. The water operating net income, excluding the depreciation and debt service principal, is about $655,000. Ms. Moua explained that water on restricted cash as a percentage of expenses is 175.82%. The LGC is concerned with a percentage of less than 16%. Ms. Moua stated the county's water capital assets condition ratio is 23%, which is below the LGC threshold of 50%. This ratio should increase once the water tank project has been completed and in service. Ms. Moua stated the county would need to provide a written response with corrective action to the LGC within 60 days of the audit presentation for the 23% capital assets condition ratio for this year. Commissioner Potter asked Ms. Moua for clarification that once the water tank is installed and operating, it will come back into the appropriate line. Ms. Moua stated, yes it would. County Manager Shane Fox stated the water tank was scheduled for connection this week or possible next week depending on the weather. Chairman Church clarified this was the water tank in Collettsville. Chairman Church asked for a final cost on the Collettsville water tank. Finance Director Tony Helton stated over $4 million dollars. Commissioner Potter asked for clarification from Ms. Moua about the undesignated fund balance percentage. Commissioner Potter stated years ago that the LGC recommended 8%, then it went to 20% and there were some discussions last year regarding that. Ms. Moua explained this is a recommendation from the LGC and not something that is required by the state. County Manager Shane Fox stated years ago that 8% was the magic number, that is one month's worth of reserves, and then it was suggested we be comparable to our peer group. Peer groups are decided by population and budget and from that peer group, whatever their available fund balance is the average median. County Manager Shane Fox explained the LGC doesn't want to see the county getting outside their peer group percentage. The County Manager stated the available fund balance is around 20% for our peer group, which is subject to change each year. Chairman Church stated if we didn't maintain the percentage, it would affect our borrowing power and bond issuance. County Manager Shane Fox stated if we were to be bond rated, part of the rating is looking at our peer groups to see where we stack up. County Manager Shane Fox stated if we are not too far from the average, it wouldn't be a negative thing for the county. Commissioner LaBrose suggested, as we go into budget season, the Board can get a range for the fund balance that we feel comfortable with, and he encouraged citizens when the Board has budget sessions to please come. Also, he stated it was great to have no findings in the audit. Commissioner LaBrose asked Ms. Moua if the audit covered our debt service and is it pretty low compared to other counties. Ms. Moua replied that it is pretty low. Commissioner LaBrose stated that it is a good use of taxpayers' money to be low in debt. Commissioner LaBrose stated our debt was at 1 1/2 %. County Manager Shane Fox stated our total debt was $26 million, which is second lowest in our peer group. Chairman Church said the debt amount is not just county debt but includes the school debt as well. Chairman Church thanked Ms. Moua for being there.

Consent

5. **Cybersecurity Grant #1**
   This is a cybersecurity grant for $200,000. This grant does not require a local match. This is a 100% state-funded grant. This will be utilized by our IT Department to put together a secondary environment to back up our current cloud.

6. **Cybersecurity Grant #2**
   This is a cybersecurity grant for $128,019. This grant doesn't require any local match. This grant will be utilized for critical needs to back up servers.

7. **Wilson Creek Equipment Grant**
   The Wilson Creek Equipment Grant is for $60,000 and no match is required. This grant will be used to purchase equipment to assist in patrolling Wilson Creek provided by the Forestry Service.

8. **Budget Revision for Jury Commission Payments**
   This is a budget revision to allow the county to pay each of the three members of the Jury Commission $250.00 per year for their service. A total of $750.00 is being requested by our Clerk of Court, Angela Kidd. This is required by GS 9-1.

9. **Purchase of Web Accessibility Software**
   This is the approval of the contract for the purchase of web accessibility software in the amount of $9,086.60.

10. **Conveyance of Surplus Vehicle by Private Sale**
    The Sheriff's Department is looking to sell a 2018 Ford Explorer to Foothills Medical Transit Company for $4,000. This is a 2018 Ford Explorer that has been decommissioned at 153,994 miles. County Manager Shane Fox stated, for reference, that the Kelly Blue Book puts the $4000 right in the range of what the vehicle is worth. This is asking through GS 168.266 for the Commissioners to sell this vehicle to the Foothills Medical Transit Company, which is a non-profit.

11. **Soil and Water Conservation District request to apply for StRAP funding**
    The Soil and Water Conservation District is requesting to apply for StRAP funding. This year, Caldwell County is in a high-needs area due to Hurricane Helene. The potential cap for this grant is $1,496,250. This is not a guarantee, but the Board's approval allows them to apply for the grant.

12. **Sheriff Department Salary Adjustment**
    The Sheriff's Department is requesting approval for a salary adjustment for departments 4310, 4311, 4315, 4316, 4317, 4318, and 4320. This request is for a 5% increase. It would be effective February 1, 2026, go through the end of the year, and pick up moving forward. That is a total cost of $224,000 for the remaining five months.

13. Approval of Minutes from December 1, 2025, Board of Commissioners Meeting

The approval of December 1, 2025, meeting minutes was requested.

Commissioner LaBrose made a motion to accept the consent agenda as presented. The motion carried unanimously.

Closed Session

14. Closed Session Pursuant to NCGS 143-318.11(a)(4)

Chairman Church made a motion to enter closed session pursuant to G.S. 143-318.11(a)(4) to discuss a matter related to economic development at 7:06 PM. The motion carried unanimously.

Commissioner LaBrose made a motion to come out of closed session. The motion carried unanimously.

Adjourn

With there being no more business to attend to, Commissioner LaBrose made a motion to adjourn at 8:16 PM. The motion carried unanimously.

RESOLUTION

1-2026

DISPOSAL OF COUNTY-OWNED PROPERTY
BY PRIVATE SALE

WHEREAS, Caldwell County owns certain items of personal property that have become surplus for its current needs; and

WHEREAS, No1ih Carolina General Statue 160A-266 permits the County to sell such prope1iy by private sale upon authorization by the Board of Commissioners at a regular meeting and notice to the public; and

WHEREAS, the Board of Commissioners is convened in a regular meeting.

NOW THEREFORE, BE IT RESOLVED the Caldwell County Board of Commissioners authorizes the sale of a 2018 Ford Explorer, VIN: 1FM5EK8AR7JGA32279, for the sum of $4,000 to Foothills Medical Transit Company.

Adopted this 29th day of January 2026.

Randy Church, Chairman of the Board
Caldwell County Board of Commissioners

ATTEST:

Iris Whitt, Interim Clerk

BK 2155 PG 1681 - 1681 (1)
This document presented and filed:
01/30/2026 10:27:53 AM

Fee $0.00

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Caldwell County North Carolina
Wayne L. Rash, Register of Deeds

COMMISSIONERS: RANDY T. CHURCH, CHAIRMAN | MIKE LABROSE, VICE-CHAIR
JEFF BRANCH | DONNIE POTTER | PATRICK STARNES
SHANE FOX, COUNTY MANAGER
www.caldwellcountync.org