

Draft

**BOARD OF COMMISSIONERS**  
**REGULAR MEETING**     February 2, 2026

**ALEXANDER COUNTY**  
**STATE OF NORTH CAROLINA**

**PRESENT:**    Larry Yoder, Chairman  
                  Josh Lail, Vice-Chairman  
                  Kent Herman  
                  Marty Pennell  
                  Ronnie Reese

**STAFF:**        Ben Faulkenberry, County Attorney  
                  Gary Herman, PIO  
                  Justin Mundy, County Manager  
                  Jamie Starnes, Clerk to the Board

The Alexander County Board of Commissioners held a regular meeting on Monday, February 2, 2026 in Room 103 of the CVCC / Alexander Center in Taylorsville, North Carolina.

**CALL TO ORDER**

Chairman Yoder called the meeting to order at 6:00 PM.

**INVOCATION & PLEDGE OF ALLEGIANCE**

Commissioner Reese gave the invocation and Commissioner Herman led the Pledge of Allegiance to the Flag.

**COMMISSIONER'S REPORT**

Commissioner Reese expressed appreciation to all County staff, emergency personnel, and NCDOT for their dedicated efforts during the winter storms that occurred the past two weekends.

Commissioner Pennell was pleased to see neighbors helping one another and taking time to check on each other during the winter weather.

Chairman Yoder congratulated Harry Gant who was inducted into the NASCAR Hall of Fame, noting that he and many other Alexander County residents attended the induction ceremony in Charlotte on January 23.

## **ADOPTION OF AGENDA**

Justin Mundy, County Manager, requested the following changes to the agenda – removal of Agenda Item #9 (Cost of Community Services Study Report) that will be deferred to the March agenda, change of speaker for Agenda Item #10 (Approval of 16 W. Main Avenue Commercial Tenant) to PIO Gary Herman, and change of speaker for Agenda Item #11 (WPCOG Catawba River Interbasin Transfer) to Anthony Starr, WPCOG Executive Director.

Commissioner Herman made a motion to approve the agenda as amended. Commissioner Reese seconded the motion, which passed unanimously.

## **PUBLIC COMMENT**

No one spoke during the Public Comment Period.

## **PUBLIC HEARING: ECONOMIC DEVELOPMENT INCENTIVE GRANT FOR JONATHAN WESLEY FURNITURE,**

Michael Worley, Economic Development Director, requested approval of an Economic Development Incentive Grant for Jonathan Wesley Furniture, LLC to help secure a \$3 million building acquisition and capital investment, create 30 new jobs, and retain 10 current jobs.

Jonathan Wesley Furniture, currently located on Rink Dam Road, would like to relocate to a 46,000 sqft. facility at 2696 NC Highway 16 South which will enable them to install new equipment and expand company holdings with building ownership. Based on the planned investment, Mr. Worley recommended a Level 1 grant in an amount not to exceed \$58,500. Ad valorem tax reimbursements will take place over a 5-year period beginning in 2026.

After a motion by Commissioner Pennell, second by Commissioner Reese, and unanimous vote, the public hearing was called to order and comments requested. There being none, Vice-Chairman Lail made a motion to close the public hearing. Commissioner Herman seconded the motion, which passed unanimously.

Commissioner Reese made a motion to approve a Level 1 Economic Development Incentive Grant to Jonathan Wesley Furniture, LLC in an amount not to exceed \$58,500. Commissioner Herman seconded the motion, which passed unanimously.

## **PUBLIC HEARING: VOLUNTARY FARMLAND PRESERVATION ORDINANCE AMENDMENTS**

Pamela Bowman, Soil & Water District Director, reviewed amendments to the Voluntary Farmland Preservation Program Ordinance required as a result of House Bill 126 which modified N.C.G.S. 106-740. Amendments included the following:

- Public hearings for Voluntary Agriculture District Ordinances are no longer optional and are now required for qualifying farmland.
- The conditions that trigger a public hearing must include rezoning requests on qualifying farmland.
- The timeline for the local agriculture advisory board to hold a public hearing and provide a final report is extended from 30 to 45 days.
- No state or local agency or governmental unit can formally initiate a condemnation or rezoning until 120 days after the date the local agriculture advisory board submits its findings and recommendations to the agency.

Ms. Bowman advised that there had never been a condemnation or rezoning of any property in the Farmland Preservation Program. She also noted that the proposed ordinance revisions were completed by Amy Bucknum, County Planner, and approved by County Attorney Ben Faulkenberry, the VAD Board, and Evan Davis, NCDA&CS Farmland Preservation Division Director.

In response to a question from Commissioner Herman, Ms. Bowman explained that individuals who purchase land adjacent to property included in the Farmland Preservation Program must sign a form confirming they have reviewed the map at the Register of Deeds Office and understand the property they are buying borders land enrolled in the program. Maps showing the 13,000+ acres enrolled in the program are also available at the Tax Office and the Soil & Water District Office.

After a motion by Commissioner Reese, second by Vice-Chairman Lail, and unanimous vote, the public hearing was called to order and comments requested. There being none, Commissioner Herman made a motion to close the public hearing. Commissioner Reese seconded the motion, which passed unanimously.

Commissioner Pennell made a motion to approve the amendments to the Voluntary Farmland Preservation Ordinance as presented. Commissioner Reese seconded the motion, which passed unanimously.

## **APPROVAL OF 16 W. MAIN AVENUE COMMERCIAL TENANT**

Gary Herman, Public Information Officer, reported that with the adaptive reuse rehabilitation of the County-owned property located at 16 W. Main Avenue nearing completion, staff advertised an RFP for a commercial tenant in December 2025. Three individuals toured the site but only one application was received from Kiley Walley, owner of Kiley's Sugar Shoppe, LLC, an established bakery located in downtown Taylorsville.

Ms. Walley expressed her enthusiasm to create a charming gathering space that would attract more business to the county and she thanked the Board for its support.

Commissioner Pennell made a motion to accept Kylie Walley as the commercial tenant and approve the lease agreement for commercial space located at 16 W. Main Avenue. Commissioner Herman seconded the motion, which passed unanimously.

## **WPCOG CATAWBA RIVER INTERBASIN TRANSFER UPDATE**

Anthony Starr, WPCOG Executive Director, presented information related to Catawba River inter-basin transfers, which included the following information:

- The Catawba River is the first river in the country that was completely planned and developed for electricity production and is the most densely populated river basin in North Carolina. Due to exponential growth, unprecedented demand for clean water in the Charlotte metropolitan area, and drought predictions, the river's health and ability to provide for residents in the future is at risk.
- Mooresville has a pre-existing inter-basin transfer allowance of 9.54 million gallons per day (GPD). Concord / Kannapolis has a 20 million GPD inter-basin transfer certificate (received in 2007) that includes 10 million GPD from the Catawba River. Charlotte has a 33 million GPD inter-basin transfer certificate (received in 2002) and has requested an additional 30 million GPD to serve approx. 300,000 more people in eastern Mecklenburg County.
- During the 1998-2002 drought, the Catawba River Basin suffered the worst of precipitation deficits, primarily in the western piedmont region. During the 2007-2009 drought, portions of the basin dropped 8-10 feet below normal levels. Lake Norman dropped to just 3.1 feet above cooling intake for the nuclear power plant. Meanwhile, Charlotte continued pulling water from the Catawba River and lost more than 19% of every gallon it took (23 million gallons lost each day). This is common for all systems due to leaks, aging infrastructure, etc. but the national average is only 14%. Charlotte is now proposing to transfer up to 5 times more water from the Catawba River Basin than it hopes to conserve during extreme droughts (their goal is a 10-20% reduction or 12.5-25 million GPD) with the latest IBT request.
- Charlotte's water rates are more affordable as a percentage of median household income than 90% of other NC utilities. By transferring water from the Catawba River basin, Charlotte can avoid infrastructure costs for new facilities and repairs; however, other communities will pay higher rates because of added mitigation costs to their systems. Only a 12% increase in the Charlotte Water capital budget is needed over the next 15 years to build the necessary infrastructure and eliminate the IBT.

- The Catawba River Coalition has been formed to advocate for our region and includes local governments from Alexander, Burke, Caldwell, Catawba, and McDowell Counties.
- In July 2025, HB 850 placed a two-year moratorium on new inter-basin transfers or expansions exceeding 15 million GPD and directed the NC Collaboratory at UNC Chapel Hill to study the issue and provide recommendations to the General Assembly in 2027. The study is in the early stages.

Mr. Starr advised that Charlotte has the means but not the desire to pursue alternatives for water their water needs. He emphasized that the limited resources of the Catawba River should not be used to subsidize huge growth outside the river basin.

Commissioner Pennell asked if any new applications had been filed or permits approved for a new water treatment facility along the Catawba River Basin in recent years. Mr. Starr was not aware of any in our region.

Chairman Yoder was concerned about the potential impact that approval of another IBT by the state would have on water treatment facilities. Mr. Starr agreed, noting that with continued approval of transfers, we will approach the limits established by state and federal regulators, which could prevent existing plants from expanding their capacity. Additionally, more transfers will reduce water flow, leading to higher pollutant concentrations that will drive up treatment costs and ultimately increase rates paid by customers.

## **2025 AUDIT PRESENTATION**

Beau Hildebrand with Martin Starnes & Associates, presented a favorable audit report for FY 2024-2025 that included the following information:

- General Fund revenues – the top two sources of revenue were ad valorem taxes (property and motor vehicle taxes) at 48% and local option sales taxes at 26%. Remaining sources included restricted intergovernmental (federal and state grants) at 11%, sales and services (Health Department, Detention, EMS, License Plate Agency) at 8%, permits and fees (Inspections and Register of Deeds) at 3%, earned interest at 3%, and other (donations, private grants, ABC tax, video programming tax) at 1%. For FY 2025, property tax revenue increased by 0.2% and sales taxes increased by 3.1%.
- General Fund expenditures – the top 4 overall expenses were public safety at 34%, human services at 25%, general government at 18%, and education at 15%. Remaining areas included debt service at 2%, culture and recreation at 3%, environmental protection at 2%, and economic and physical development at 1%. For FY 2025, public safety expenses increased by 8.1%, human services increased by 3.1%, education increased by 1.7%, and general government increased by 7.9%.

- General Fund debt – \$652,000 as of June 30, 2025; this debt was paid off in January 2026.
- Fund Balance – 44.82% as of June 30, 2025 (\$26,527,047 total / \$21,535,929 available), which amounts to approx. 5 months of expenses; local governments are only required to have 8% or one month of expenses in fund balance.
- Solid Waste Fund – budgetary net loss of \$208,483.
- Water & Sewer Funds – budgetary net income of \$242,204 for the County Water & Sewer Fund. As of June 30, 2025, outstanding debt totaled \$9,970,498; will be paid off in 2041.

Mr. Hildebrand advised that no general performance indicators were found; however, there was one compliance finding not related to financial statements.

Justin Mundy, County Manager, thanked Finance Director Jennifer Herman and her team for their dedication and efforts throughout the lengthy audit process.

Commissioner Yoder made a motion to approve the FY 2024-2025 Audit Report. Commissioner Herman seconded the motion, which passed unanimously.

### **BUDGET ORDINANCE AMENDMENTS #20 - #23**

Justin Mundy, County Manager, reviewed the purpose of Budget Amendments #20 - #23 as follows:

Budget Amendment #20 – To:

- increase the Sheriff’s Office budget for a Governor’s Crime Commission grant for the VIPER Radio Update Project.
- increase the Detention Center budget for estimated medical supplies and inmate medical bills for the remainder of FY 2026 including a single invoice for over \$18,000.

Budget Amendment #21 – To budget for the closeout of the StRAP Round 2 Grant Project Fund and reimburse the General Fund for the grant administration costs incurred by the Soil & Water Department for the County-administered project.

Budget Amendments #22 – To budget for true-up adjustments to pay out the June 30, 2025 fund balance amounts to fire departments.

Budget Amendment #23 – To budget for the closeout of the Paragon Films Rail Project Fund and transfer the remaining cash balance of local funds back to the General Fund.

Commissioner Herman made a motion to approve Budget Amendments #20 - #23. Commissioner Reese seconded the motion, which passed unanimously.

### **CONSENT AGENDA**

- A. Tax Abatements & Adjustments (\$8,618.12) and Tax Refunds (\$21,514.77) for December 29, 2025 – January 22, 2026.
- B. Minutes from the January 5, 2026 Regular Meeting.
- C. Board / Committee Appointments – Juvenile Crime Prevention Council.
- D. Line-Item Transfer Report for December 31, 2025 – January 22, 2026.

Vice-Chairman Lail made a motion to approve the Consent Agenda. Commissioner Herman seconded the motion, which passed unanimously.

### **CLOSED SESSION – N.C.G.S. 143-318.11(a)(5) CONTRACTUAL**

Commissioner Reese made a motion to enter into Closed Session at 7:29 PM to discuss contractual matters pursuant to N.C.G.S. 143-318.11(a)(5). Commissioner Herman seconded the motion, which passed unanimously.

### **ADJOURNMENT**

There being no further business, Vice-Chairman Lail made a motion to adjourn at 8:09 PM. Commissioner Reese seconded the motion, which passed unanimously.

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Larry G. Yoder, Chairman

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Jamie M. Starnes, Clerk to the Board