MINUTES

September 4, 2025

REGULAR MEETING OF THE CITY COUNCIL

CITY OPERATIONS CENTER | 305 WILLIAMS ST. | 5:45 p.m.

Present: Mayor Barbara G. Volk, Mayor Pro Tem Dr. Jennifer Hensley, and Council Members: Lyndsey Simpson, Melinda Lowrance

Staff Present: City Manager John Connet, Deputy City Manager Brian Pahle, City Attorney Angela Beeker, Budget & Evaluation Director Adam Murr, Communications Director Allison Justus and others

Absent: City Clerk Jill Murray

1. CALL TO ORDER

Mayor Volk called the meeting to order at 5:45 p.m. and welcomed those in attendance. A quorum was established with all members in attendance.

2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The City Council observed a moment of silence for prayer or reflection followed by the Pledge of Allegiance to the Flag.

3. PUBLIC COMMENT *Up to 15 minutes is reserved for comments from the public not listed on the agenda.*

In Person:

Lois Van Reese of 131 Creekwalk Ln, Hendersonville, the HOA of Wolf Chase, spoke about an email that she sent on August 28th to city officials, Henderson County engineers, Four Star Construction and the Hendersonville Taxation Department requesting a face-to-face meeting with the residents of Wolf Chase to discuss solutions to the mud and flooding issues that was created by clear cutting Half Moon Heights. Wolf Chase has documented 17 mudslide and flooding episodes since January, 2024. Once Four-Star leaves, who pays for the cleanup of this mud and flooding?

Ken Fitch of 1046 Patton Street, Hendersonville, gave a heartfelt speech about Tyler Morrow leaving the city.

Amy Duernberger of 709 Hebron Road, Hendersonville, spoke about loving living in Hendersonville and values all the work that the employees do. She also spoke about needing clarification on the utility bill that she recently received. She was surprised to see that her garbage collection rate went up 30% and wanted to know why.

City Manager John Connet said he would be happy to schedule a time to go over everything with her and explain it in detail and why we had to do what we did.

4. CONSIDERATION OF AGENDA

Council Member Melinda Lowrance moved that City Council approve the agenda as presented. A unanimous vote of the Council followed. Motion carried.

5. CONSENT AGENDA

Council Member Lyndsey Simpson moved that City Council approve the consent agenda as presented. A unanimous vote of the Council followed. Motion carried.

A. Adoption of City Council Minutes – *Jill Murray, City Clerk*

August 7, 2025 Regular Meeting
August 27, 2025 Second Monthly Meeting

B. Intent to Lease City Owned Property at 129 Mitchelle Drive – *Adam Steaurer, Utilities Director*

Resolution #R-25-79

RESOLUTION OF INTENT BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO LEASE CITY OWNED REAL PROPERTY AT 129 MITCHELLE DRIVE

WHEREAS, the City of Hendersonville owns property located at 129 Mitchelle Drive, Hendersonville, NC 28792, described in deed of record in Deed Book 1318, Page 126, Henderson County Registry ("Subject Property"); and

WHEREAS, the City of Hendersonville purchased the Subject Property for the purposes of building a pump station; and

WHEREAS, the Subject Property currently houses, in addition to the pump station, an outdoor advertising sign owned by Lamar OCI South, LLC ("Lamar") and Lamar wishes to renew this lease for an additional ten (10) year period, and the City does not need and will not need the space occupied by Lamar's sign during the proposed ten (10) year lease term; and

WHEREAS, North Carolina General Statute § 160A-272 authorizes the City Council to lease City owned real property the City Council determines will not be needed by the City for the term of the lease; and

WHEREAS, North Carolina General Statute § 160A-272 requires public notice at least 30 days before approving the execution of a lease in excess of one year; and

WHEREAS, the City of Hendersonville intends to enter into a nonexclusive lease of the Subject Property to Lamar which will permit them to leave their outdoor advertising sign in place during the Lease term.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The City intends to authorize a lease renewal for the Subject Property to the advertising .
2. The annual rent shall be $___5,250_____, paid annually, for the first five (5) years of the Lease term, and $ 5,512_____, paid annually for the second five (5) years of the lease term.;
3. The City Council hereby declares its intent to authorize a lease at the regular meeting of August 7, 2025, upon the terms stated herein.
4. Staff shall advertise this Resolution in a newspaper of general circulation in Henderson County once, at least thirty (30) days prior to the October 2, 2025 regular City Council Meeting.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

C. Approval of $35,000 Arbor Day Foundation Grant – *Caitlyn Gendusa, Public Works Superintendent*

Resolution #R-25-80

RESOLUTION BY THE CITY OF HENDERSONVILLE

CITY COUNCIL ACCEPTING A GRANT FROM THE ARBOR DAY FOUNDATION AND THE TRUIST CHARITABLE FUND

WHEREAS, the Arbor Day Foundation (the "ADF"), in partnership with the Truist Charitable Fund has established a grant that provides funding to entities for the planting of trees and related projects; and

WHEREAS, the ADF has agreed to award the City $35,000.00 to be used for planting trees in public spaces and for the licensing of tree canopy management software to assist the City in understanding where canopy has been lost and should be re-established; and

WHEREAS, the City of Hendersonville desires to accept the grant funds and authorize the execution of the grant funding agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The City hereby accepts the grant from the Abor Day Foundation and to be used for tree planting in public spaces and for the licensing of tree canopy management software; and
2. The Assistant City Manager, Brent Detwiler, is authorized to execute the Grant Agreement, with such changes as he deems appropriate, provided they are consistent with the terms of this Resolution.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

D. State Reserve Grant Funding Offer Acceptance to Support the Sewer Collection System AIA Master Plan Update Project – *Devin Owen, Utilities Engineer*

Resolution #R-25-81

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO ACCEPT A STATE RESERVE GRANT FUNDING OFFER FROM THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY TO PERFORM AN ASSET INVENTORY AND ASSESSMENT STUDY TO SUPPORT THE SEWER COLLECTION SYSTEM AIA MASTER PLAN UPDATE PROJECT

WHEREAS, the North Carolina General Statutes Chapter 159G has created Asset Inventory and Assessment (AIA) grants to assist eligible units of government with meeting their water infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered a State Reserve Grant in the amount of $150,000 to perform an Asset Inventory and Assessment study detailed in the submitted application, and

WHEREAS, the City of Hendersonville intends to perform said project in accordance with the agreed scope of work,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The City of Hendersonville does hereby accept the State Reserve Grant offer of $150,000.
2. That the City of Hendersonville does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.
3. That Adam Steurer, Utilities Director, and successors so titled, are hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with this project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

E. Engineering Services to support the Sewer Collection System AIA Master Plan Update Project – *Devin Owen, Utilities Engineer*

Resolution #R-25-82

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO ENTER INTO A CONTRACT FOR ENGINEERING SERVICES TO SUPPORT THE SEWER COLLECTION SYSTEM AIA MASTER PLAN UPDATE PROJECT

WHEREAS, the City owns and operates a public sewer collection system that serves a population of approximately 33,000 in the City and surrounding area; and

WHEREAS, the City's current Sewer Collection System Master Plan (Master Plan) was prepared in 2019; and

WHEREAS, the Master Plan serves as a roadmap for the City to properly maintain and improve the Sewer system. The Master Plan also identifies and prioritizes capital improvement projects so the collection system can adequately serve current and future sewer demands; and

WHEREAS, City Staff have performed a qualifications-based selection, determined HDR, Inc. as most qualified, and have received and negotiated a scope of work and fee from HDR, Inc. to provide Engineering Services to support the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. HDR, Inc. is most qualified to provide professional engineering services for the project, as recommended by Staff.
2. The scope of professional engineering services from HDR, Inc. is approved in the not-to-exceed amount of $368,500.
3. The City Manager is authorized to execute an agreement with HDR, Inc. consistent with the terms of this Resolution, as approved by the City Attorney.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

F. French Broad River Intake Project Change Order 6, 7, 8 Summary - *Brent Detwiler, Assistant City Manager*

Resolution #R-25-83

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO AUTHORIZE THE CITY MANAGER TO EXECUTE CHANGE ORDERS 6, 7, AND 8 WITH CROWDER CONSTRUCTION COMPANY AS PART OF THE FRENCH BROAD RIVER INTAKE PROJECT

WHEREAS, the French Broad River Intake Project (Project No. 16007) is under construction; and

WHEREAS, some additional project components have been identified to allow operational redundancy and efficiency; and

WHEREAS, the prices of said additions have been reviewed by staff, the City's consulting engineer, and the Division of Water Infrastructure, and have been determined to be reasonable and justified.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The City Manager is authorized to execute Change Orders 6, 7, and 8 with Crowder Construction Company for the French Broad River Intake Project, as presented.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

G. September Project Ordinances and Reimbursement Resolutions - *Jennifer Floyd, Management Analyst*

Resolution #R-25-84

HENDERSONVILLE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE

BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina, this declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Expenditures to be Incurred. The Issuer anticipates incurring expenditures (the "Expenditures") for EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE SEWER COLLECTION SYSTEM MASTER PLAN PROJECT (#G2601), ORDINANCE #O-25-45 (the "Projects").

Plan of Finance. The Issuer intends to finance the costs of the Project(s) with the grant revenue to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

Maximum Principal Amount of Debt to be Issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is $150,000.

Declaration of Official Intent to Reimburse. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Ordinance #O-25-45

GRANT PROJECT ORDINANCE FOR THE EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE SEWER COLLECTION SYSTEM MASTER PLAN, #G2601

BE IT ORDAINED by the Governing Board of the City of Hendersonville, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1: The project authorized is a City project described as the Sewer Collection System Master Plan, #G2601.

Section 2: The following amounts are appropriated for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
301	7155	N/A	G2601	NCDEQ Grant Expenditures	$150,000
				Total Project Appropriation	**$150,000**

Section 3: The following revenues are anticipated to be available via grant proceeds:

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
301	0000	420050	G2601	Grant (NCDEQ 2025)	($150,000)
				Total Project Appropriation	**($150,000)**

Section 4: The Finance Director is hereby directed to maintain within the General Fund sufficient specific detailed accounting records to satisfy the disclosure requirements of all the contractual agreements, if applicable.

Section 5: Funds may be advanced from the General Fund as necessary for the purpose of making payments as due. Reimbursement requests shall be made in an orderly and timely manner.

Section 6: The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and Section 4.

Section 7: The Finance Director is further instructed to include a detailed analysis of past and future revenues and expenses during each annual budget submission made to the Governing Board.

Section 8: Copies of this grant project shall be furnished to the City Clerk, Finance Director, and City Manager for direction in carrying out this project.

Section 9: The City Manager, or designee, is authorized to declare the project completed, close the project ordinance, and distribute remaining project funds to the appropriate operating fund or reserve fund.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Resolution #R-25-85

HENDERSONVILLE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE

BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina, this declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Expenditures to be Incurred. The Issuer anticipates incurring expenditures (the "Expenditures") for EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE WATER TREATMENT SLUDGE TRANSFER AND BACKWASH PROJECT (#24009), ORDINANCE #O-25-46 (the "Projects").

Plan of Finance. The Issuer intends to finance the costs of the Project(s) with bond proceed revenue to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

Maximum Principal Amount of Debt to be Issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is $3,200,000.

Declaration of Official Intent to Reimburse. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Ordinance #O-25-46

CAPITAL PROJECT ORDINANCE FOR
THE EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE WATER TREATMENT SLUDGE TRANSFER AND BACKWASH PROJECT, #24009

BE IT ORDAINED by the Governing Board of the City of Hendersonville, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized is a City project described as the Water Treatment Sludge Transfer and Backwash Project, #24009.

Section 2: The following amounts are appropriated for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
460	7035	550103	24009	Capital Outlay- CIP	$3,200,000
				Total Project Appropriation	**$3,200,000**

Section 3: The following revenues are anticipated to be available for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
460	0000	470010	24009	Debt Issuance (2027 Revenue Bond)	($3,200,000)
				Total Project Appropriation	**($3,200,000)**

Section 4: The Finance Director is hereby directed to maintain within the Water and Sewer Fund and Capital Project Fund sufficient specific detailed accounting records to satisfy the disclosure requirements of all the contractual agreements, if applicable.

Section 5: Funds may be advanced from the Water and Sewer Fund and Capital Project Fund, as necessary for the purpose of making payments as due. Reimbursement requests shall be made in an orderly and timely manner.

Section 6: The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and Section 4.

Section 7: The Finance Director is further instructed to include a detailed analysis of past and future revenues and expenses during each annual budget submission made to the Governing Board.

Section 8: Copies of this capital project shall be furnished to the City Clerk, Finance Director, and City Manager for direction in carrying out this project.

Section 9: The City Manager, or designee, is authorized to declare the project completed, close the project ordinance, and distribute remaining project funds to the appropriate operating fund or reserve fund.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Resolution #R-25-86

HENDERSONVILLE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE

BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina, this declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Expenditures to be Incurred. The Issuer anticipates incurring expenditures (the "Expenditures") for EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE OSFM DISASTER RELIEF GRANT PROJECT (#G2602), ORDINANCE #O-25-47 (the "Projects").

Plan of Finance. The Issuer intends to finance the costs of the Project(s) with the grant revenue to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

Maximum Principal Amount of Debt to be Issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is $50,000.

Declaration of Official Intent to Reimburse. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Ordinance #O-25-47

GRANT PROJECT ORDINANCE FOR THE EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE OSFM DISASTER RELIEF GRANT PROJECT, #G2602

BE IT ORDAINED by the Governing Board of the City of Hendersonville, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1: The project authorized is a City project described as the OSFM Disaster Relief Grant Project, #G2602

Section 2: The following amounts are appropriated for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
301	1400	534000	G2602	Non-Capital Equipment	$50,000
				Total Project Appropriation	**$50,000**

Section 3: The following revenues are anticipated to be available for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
301	0000	420050	G2602	Grant (2025 OSFM)	($50,000)

Total Project Appropriation	**($50,000)**

Section 4: The Finance Director is hereby directed to maintain within the General Fund, and the Grant Project Fund sufficient specific detailed accounting records to satisfy the disclosure requirements of all the contractual agreements, if applicable.

Section 5: Funds may be advanced from the General Fund, as necessary for the purpose of making payments as due. Reimbursement requests shall be made in an orderly and timely manner.

Section 6: The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and Section 4.

Section 7: The Finance Director is further instructed to include a detailed analysis of past and future revenues and expenses during each annual budget submission made to the Governing Board.

Section 8: Copies of this capital project shall be furnished to the City Clerk, Finance Director, and City Manager for direction in carrying out this project.

Section 9: The City Manager, or designee, is authorized to declare the project completed, close the project ordinance, and distribute remaining project funds to the appropriate operating fund or capital reserve fund.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Resolution #R-25-87

HENDERSONVILLE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE

BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina, this declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Expenditures to be Incurred. The Issuer anticipates incurring expenditures (the "Expenditures") for EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE MILLS RIVER INTAKE SCOUR SYSTEM PROJECT (#25014), ORDINANCE #O-25-48 (the "Projects").

Plan of Finance. The Issuer intends to finance the costs of the Project(s) with the grant revenue to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

Maximum Principal Amount of Debt to be Issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is $540,000.

Declaration of Official Intent to Reimburse. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

Ordinance #O-25-48

THE EXECUTION, ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE WTP MILLS RIVER INTAKE SCOUR SYSTEM PROJECT, #25014

BE IT ORDAINED by the Governing Board of the City of Hendersonville, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized is a City project described as the Mills River Intake Scour System Project, #25014.

Section 2: The following amounts are appropriated for the project(s):

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
460	7035	550103	25014	Capital Outlay- CIP	$540,000
				Total Project Appropriation	**$540,000**

Section 3: The following revenues are anticipated to be available via debt issuance proceeds:

Account Codes				Account Name	Total Budget
Fund	Dept.	Account	Project		
460	0000	470010	25014	Debt Issuance (2025 Revenue Bond)	($540,000)
				Total Project Appropriation	**($540,000)**

Section 4: The Finance Director is hereby directed to maintain within the Water and Sewer Fund and Capital Project Fund sufficient specific detailed accounting records to satisfy the disclosure requirements of all the contractual agreements, if applicable.

Section 5: Funds may be advanced from the Water and Sewer Fund and Capital Project Fund, as necessary for the purpose of making payments as due. Reimbursement requests shall be made in an orderly and timely manner.

Section 6: The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and Section 4.

Section 7: The Finance Director is further instructed to include a detailed analysis of past and future revenues and expenses during each annual budget submission made to the Governing Board.

Section 8: Copies of this capital project shall be furnished to the City Clerk, Finance Director, and City Manager for direction in carrying out this project.

Section 9: The City Manager, or designee, is authorized to declare the project completed, close the project ordinance, and distribute remaining project funds to the appropriate operating fund or reserve fund.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

H. Water & Sewer FY26 CIP Amendment - *Brent Detwiler, Assistant City Manager*

Resolution #R-25-88

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND THE WATER AND SEWER FY26 CAPITAL IMPROVEMENT PLAN (CIP)

WHEREAS, the City has been working with various consulting teams and agencies to identify funding sources for the many needs at the Wastewater Treatment Facility; and

WHEREAS, a major flood mitigation project as well as a later expansion project are both being designed; and

WHEREAS, the estimates of said projects have been incorporated into the FY26 CIP as an amendment.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The FY26 Water and Sewer Capital Improvement Plan has been amended, as presented.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

I. September 2025 Budget Amendments - *Jennifer Floyd, Management Analyst*

TO MAYOR & COUNCIL **FISCAL YEAR 2025**
APPROVAL: September 4, 2025 **FORM: 09042025-01**

BUDGET AMENDMENT

FUND 060 / 301

ACCOUNT NUMBER	DESCRIPTION OF ACCOUNT	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
060-0000-470900	Fund Balance Appropriated	2,156,894	220,750		2,377,644
060-0000-598901	Transfer Out (to 301 #G2601)	517,000	220,750		737,750
FUND 060	TOTAL REVENUES	2,156,894	220,750	-	2,377,644
	TOTAL EXPENDITURES	517,000	220,750	-	737,750
301-0000-470100-G2601	Transfer In (From 060)	-	220,750	-	220,750
301-7155-519200-G2601	Contracted Services	150,000	220,750	-	370,750
FUND 301	TOTAL REVENUES	-	220,750	-	220,750
	TOTAL EXPENDITURES	150,000	220,750	-	370,750

A budget amendment increasing the revenues in Project #G2601 to cover the remaining costs associated with the Sewer Collection System Master Plan.

The City Manager and City Clerk certify budget ordinance amendment 09042025-01 was approved by City Council on September 4, 2025.

TO MAYOR & COUNCIL **FISCAL YEAR 2025**
APPROVAL: September 4, 2025 **FORM: 09042025-02**

BUDGET AMENDMENT

FUND 199/010

ACCOUNT NUMBER	DESCRIPTION OF ACCOUNT	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
199-1300-521001	Supplies and Materials	19,500	-	7,500	12,000
199-0000-598901	Transfer Out (to 010)	-	7,500		7,500
FUND 060	TOTAL REVENUES	19,500	-	7,500	12,000
	TOTAL EXPENDITURES	-	7,500	-	7,500
010-0000-470100	Transfer In (From 199)	-	7,500	-	7,500
010-1300-554001	Capital Outlay- Equipment/Other Than Vehicles	60,000	7,500	-	67,500
FUND 301	TOTAL REVENUES	-	7,500	-	7,500
	TOTAL EXPENDITURES	60,000	7,500	-	67,500

A budget amendment increasing Capital Services - Equipment/Other Than Vehicles to cover the cost of a 911 Voice Logger.

The City Manager and City Clerk certify budget ordinance amendment 09042025-02 was approved by City Council on September 4, 2025.

TO MAYOR & COUNCIL **FISCAL YEAR 2026**
APPROVAL: September 04, 2025 **FORM: 09042025-3**

BUDGET AMENDMENT

FUND 459 | 460

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
459-0000-470900	Fund Balance Appropriated	300,000	-	-	300,000
459-0000-598901	Transfer Out (to 460, #22013 - WTP Residuals)	300,000	-	-	300,000
FUND 459	TOTAL REVENUES	300,000	-	-	300,000
W&S Capital Reserve Fund	TOTAL EXPENDITURES	300,000	-	-	300,000
460-0000-470010-HEF02	Debt Proceeds ('25 Revenue Bond)	540,000	-	-	540,000
460-7035-550103-HEF02	Capital Outlay-CIP	540,000	-	-	540,000
FUND 460 (#HEF02)	TOTAL REVENUES	540,000	-	-	540,000
Mills River Scour	TOTAL EXPENDITURES	540,000	-	-	540,000
460-0000-470010-17127	Debt Proceeds ('25 Revenue Bond)	575,000	-	146,117	428,883
460-7055-550103-17127	Capital Outlay-CIP	575,000	-	146,117	428,883
FUND 460 (#17127)	TOTAL REVENUES	575,000	-	146,117	428,883
NCDOT Highland Lake Rd	TOTAL EXPENDITURES	575,000	-	146,117	428,883
460-0000-470010-19207	Debt Proceeds ('25 Revenue Bond)	2,131,500	332,879	-	2,464,379
460-7055-550103-19207	Capital Outlay-CIP	2,131,500	332,879	-	2,464,379
FUND 460 (#19207)	TOTAL REVENUES	2,131,500	332,879	-	2,464,379
WTP15MGD Expansion	TOTAL EXPENDITURES	2,131,500	332,879	-	2,464,379
460-0000-470010-22013	Debt Proceeds ('25 Revenue Bond)	2,342,000	-	-	2,342,000
460-0000-470100-22013	Transfer In (from 459)	300,000	-	-	300,000
460-7035-550103-22013	Capital Outlay-CIP	2,642,000	-	-	2,642,000
FUND 460 (#22013)	TOTAL REVENUES	2,642,000	-	-	2,642,000
WTP Residuals	TOTAL EXPENDITURES	2,642,000	-	-	2,642,000
460-0000-470010-24004	Debt Proceeds ('25 Revenue Bond)	390,000	44,636	-	434,636
460-1014-550103-24004	Capital Outlay-CIP	390,000	44,636	-	434,636
FUND 460 (#24004)	TOTAL REVENUES	390,000	44,636	-	434,636
CCTV Truck	TOTAL EXPENDITURES	390,000	44,636	-	434,636
460-0000-470010-25003	Debt Proceeds ('25 Revenue Bond)	500,000	-	-	500,000
460-1014-550103-25003	Capital Outlay-CIP	500,000	-	-	500,000
FUND 460 (#25003)	TOTAL REVENUES	500,000	-	-	500,000
110 Williams St. Reno.	TOTAL EXPENDITURES	500,000	-	-	500,000
460-0000-420050-16036	Grant Revenue (FY24 State Appropriation)	14,528,750	-	-	14,528,750
460-0000-470010-16036	Debt Proceeds ('25 Revenue Bond - Project Fund)	3,494,788	5,212	-	3,500,000
460-0000-470010-16036	Debt Proceeds ('25 Revenue Bond - Issuance Cost)	363,535	5,724	-	369,259
460-7135-550103-16036	Capital Outlay-CIP	18,023,538	5,212	-	18,028,750
460-7002-560900-16036	Cost of Issuance	363,535	5,724	-	369,259
FUND 460 (#16036)	TOTAL REVENUES	18,387,073	10,936	-	18,398,009
Biosolids Dryer	TOTAL EXPENDITURES	18,387,073	10,936	-	18,398,009
SubTotal 2025 Revenue Bond Project Fund					10,209,898
SubTotal 2025 Revenue Bond Closing Costs					369,259
TOTAL 2025 Revenue Bond					10,579,157

An amendment to match the cost of issuance and project funds acquired through the 2025 series water and sewer revenue bond issuance. The amendment clarifies a bond proceed revenue of $10,579,157 with $10,209,898 for use in projects and $369,259 for use in closing costs on the bond issuance.

The City Manager and City Clerk certify budget ordinance amendment 09042025-3 was approved by City Council on September 04, 2025.

TO MAYOR & COUNCIL
APPROVAL: September 4, 2025

FISCAL YEAR 2025
FORM: 09042025-04

BUDGET AMENDMENT

FUND 460

ACCOUNT NUMBER	DESCRIPTION OF ACCOUNT	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
460-0000-470100	Transfer In	461,100	-	461,100	-
460-0000-470100-16007	Transfer In (from 460)	-	461,100	-	461,100
460-0000-470010-16007	Proceeds of Debt	23,052,935	276,471	-	23,329,406
460-1014-560900-16007	Cost of Issuance	461,100	-	-	461,100
460-1014-550102-16007	Capital Outlay Services and Fees	3,960,735	-	-	3,960,735
460-1014-550103-16007	Capital Outlay CIP	19,092,200	276,471	-	19,368,671
FUND 060	TOTAL REVENUES	23,514,035	737,571	461,100	23,790,506
	TOTAL EXPENDITURES	23,514,035	276,471	-	23,790,506

A budget amendment increasing the French Broad River Intake Project to cover the costs of change orders 6,7, and 8. This amendment corrects appropriations from the 2/10/22 amendment.

The City Manager and City Clerk certify budget ordinance amendment 09042025-04 was approved by City Council on September 4, 2025.

J. Supplemental Agreement with NCDOT for the Construction of the Tracey Grove Road Bridge, TIP #: B5929 - *Tom Wooten, Public Works Director*

Resolution #R-25-89

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL AUTHORIZING THE EXECUTION OF A SUPPLEMENTAL AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION FOR THE REPLACEMENT OF A BRIDGE ON TRACEY GROVE ROAD

WHEREAS, The NC Department of Transportation has programmed funds via the Transportation Improvement Program for the replacement of the Tracey Grove Road Bridge, being the project described in TIP #: B-5929 (the "Project"); and

WHEREAS, the City previously approved and executed an agreement with NCDOT providing that the City would be responsible for all phases of the Project; and

WHEREAS, NCDOT has since agreed to administer the construction phase of the Project; and

WHEREAS, no additional funds are requested from the City for NCDOT to administer the construction phase of the Project; and

WHEREAS, the City Council desired to enter into a supplemental agreement with NCDOT providing that NCDOT will be responsible for the construction phase of the Project using Federal Bridge Programs Funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

1. The Supplemental Agreement, bearing Agreement ID # 13200, for the Tracey Grove Road Bridge replacement project, TIP #: B-5929, is approved; and
2. The City Manager is authorized to execute the Supplemental Agreement, such changes as he deems appropriate, provided they are consistent with the terms of this Resolution.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

K. Resolution Approving First Amended and Restated Interlocal Agreement to Merge the Hendersonville and Laurel Park ABC Systems – *Chuck McGrady and Jeff Nance, Blue Ridge ABC Board*

Resolution #R-25-90

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL APRPOVING AN AMENDMENT TO THE INTERLOCAL AGREEMENT WITH THE TOWN OF LAUREL PARK FOR THE MERGER OF THE ABC SYSTEMS

WHEREAS, the City Council for the City of Hendersonville and the Town Council for Laurel Park adopted an Interlocal Agreement to Provide for the Merger of ABC Systems, dated May 8, 2024 ("Interlocal Agreement"); and

WHEREAS, based upon the adoption of the Interlocal Agreement the Laurel Park ABC System and the Hendersonville ABC System were merged, with the merger being effective July 1, 2024, pursuant to the authority of N.C.G.S. § 18B-703 and N.C.G.S. Chapter 160A Article 20, Part 1, the merged system now being known as the Blue Ridge ABC System; and

WHEREAS, pursuant to the Interlocal Agreement, effective July 1, 2024, the City of Hendersonville Board of Alcoholic Beverage Control and the Town of Laurel Park Alcoholic Beverage Control Board were merged into one consolidated board, known as the Blue Ridge Alcoholic Beverage Control Board; and

WHEREAS, the Blue Ridge Alcoholic Beverage Control Board and the merged system have operated successfully for one year, however, it has become apparent that certain amendments to the Interlocal Agreement could increase operational efficiencies; and

WHEREAS, the Blue Ridge Alcoholic Beverage Control Board has requested that the Town and the City amend the Interlocal Agreement to provide for these operational efficiencies, and the Town and City have agreed;

WHEREAS, a draft of the "First Amended and Restated Interlocal Agreement to Provide for the Merger of ABC Systems" has been presented to City Council for approval;

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that:

3. Pursuant to the authority of N.C.G.S. § 18B-703 and N.C.G.S. Chapter 160A Article 20, Part 1, the First Amended and Restated Interlocal Agreement to Provide for the Merger of ABC Systems (the "Agreement") is approved as presented.
4. The Mayor is authorized to execute the Agreement with such changes as she deems appropriate in consultation with the City Attorney, provided that any changes to the Agreement regarding the calculation or distribution of profits from the merged system shall require ratification of City Council.

5. The City Manager, City Attorney, and City Staff are authorized to take such other actions as may be necessary to carry out the terms and provisions of the Agreement as signed by the Mayor.

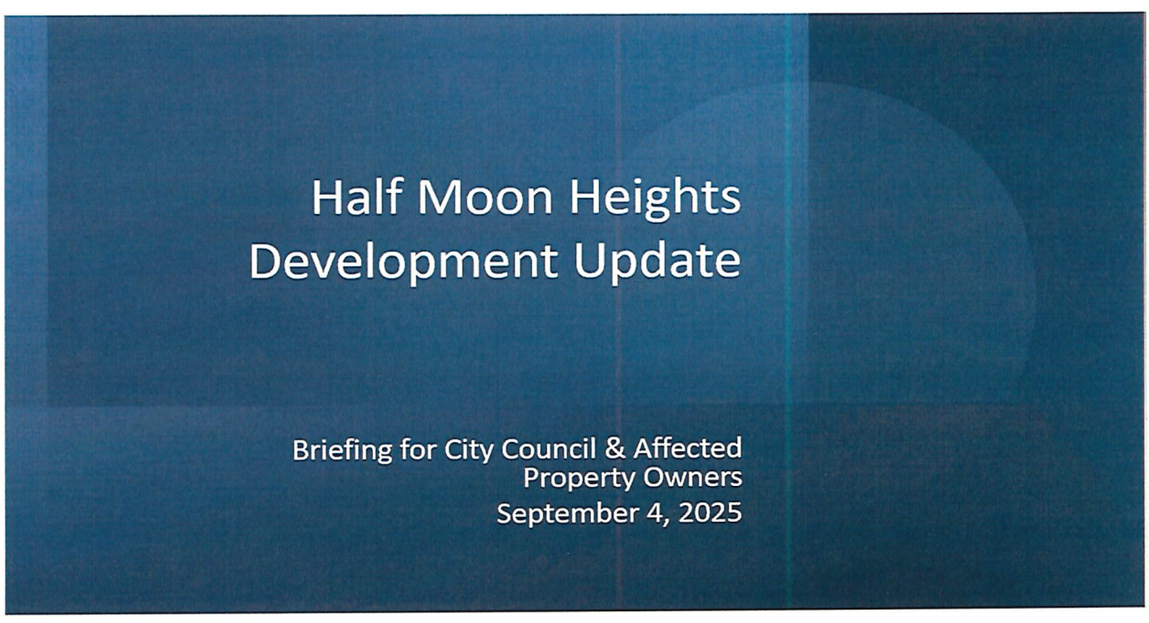
Adopted by the City Council of the City of Hendersonville, North Carolina on this 4th day of September, 2025.

Barbara G. Volk, Mayor
Attest: /s/Jill Murray, City Clerk
Approved as to form: /s/Angela S. Beeker, City Attorney

6. PRESENTATIONS

A. Half Moon Heights Development Construction Runoff Update – *Brent Detwiler, Assistant City Manager – Public Services*

Assistant City Manager Brent Detwiler gave a project update on the development that is currently under construction and for the residents that live downstream, there have been some issues. Last week, City staff met with Henderson County and the developers and gave the following PowerPoint presentation to go over what they are doing and to clear up any misunderstandings particularly as it pertains to stormwater.



NPDES Phase II Regulations

A regulated small MS4 operator must develop, implement, and enforce a stormwater management program designed to reduce the discharge of pollutants from their MS4 to the "maximum extent practicable," to protect water quality, and to satisfy the appropriate water quality requirements of the CWA.

Construction site runoff control is one of the required six (6) minimum control measures

The Henderson County Soil Erosion and Sedimentation Control Local Program is responsible for Soil erosion and sedimentation control for all unincorporated areas of Henderson County, as well as the City of Hendersonville, Village of Flat Rock, Town of Laurel Park and Town of Fletcher



Current Condition of Development

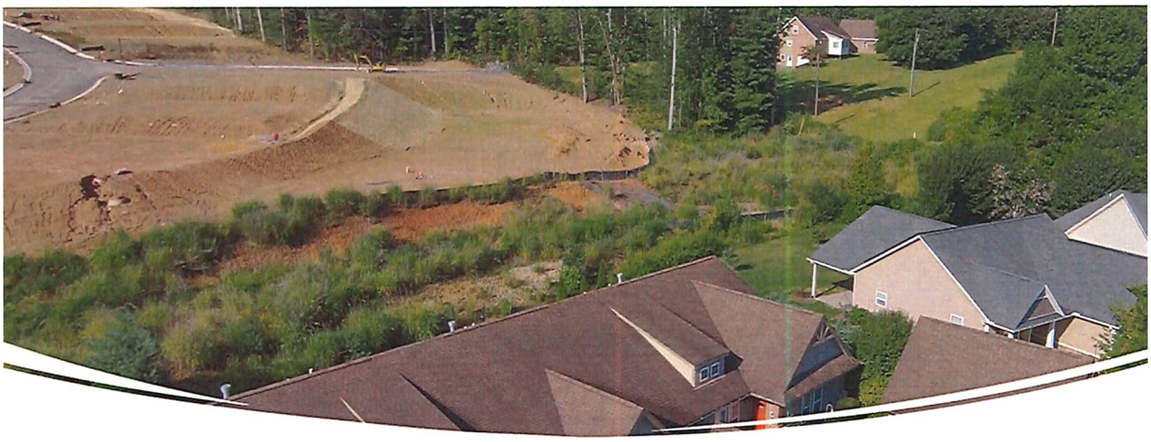
- Active grading and infrastructure installation
- Primary deficiency identified is the lack of vegetation on the construction site
- Heavy rainfall has caused repeated sediment-laden runoff events
- Downstream neighborhood (Wolf Chase) impacted

Current Conditions





Current Condition



Inspection Findings

Routine inspections note recurring deficiencies:

- July and August inspections coincided with heavy rain events
- Rainfall exceeded 1" on multiple occasions
- Sediment discharges documented after storms

Inspection Findings

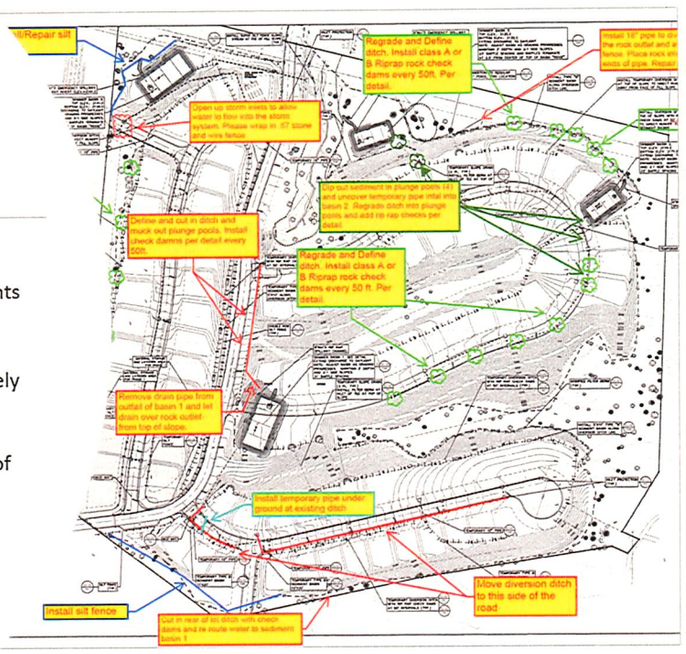
- Damaged or overtopped silt fences
- Sediment escaping buffer zones
- Basins full/discharging during rain events
- Slopes with rills/gullies, needing stabilization



Erosion Control Plan Updates

Developer's updated plan includes:

- Additional silt fencing at key drainage points
- Rock check dams every 50 ft in ditches
- Regrading of diversion ditches
- Pipe and riprap outlets to divert flows safely
- Designed to reduce downstream sedimentation
- Installation of Stormtech system in place of sediment trap to hold additional runoff
  - Developer will need to clean & possibly replace system prior to project close out



Developer's Proposed Path Forward

- Pond has been mucked and new baffles will be installed by EOB tomorrow
- By the end of the day tomorrow everything on site will be ready for seed. Seeding company is scheduled to be onsite Monday to scarify and then start seeding.
- No land-disturbing activities will resume until the site is fully stabilized
- Half Moon Trail and Road B will be ready to be repaved on 9/8
- Develop recommendations for additional sediment and erosion control measures and repairs (working with specialty firm)
- Update Erosion and Sediment Control Plan to Henderson County for review and approval

City Manager John Connet said that even though the county handles erosion control, he's hearing that Council would like our construction team to take a regular inspection drive through to monitor and if there are any issues, we can call our colleagues at the county and inquire about it.

Construction Manager Chris Connard added that the inspectors are still on site regularly and part of their workflow is to post pictures to our team's channel for this project daily. The county is tied into that channel as well and any time that we see something that is of concern, we will "tag" the county personnel in it and draw their attention to the pictures so we are actively trying to help the county and that's something that we do with every project from the day it starts until my inspectors no longer have a reason to be out there, so we try to be the county's eyes on site as much as we can.

7. PUBLIC HEARINGS

A. Zoning Text Amendment: 3+4 Family Compliance + FIL Update (25-41-ZTA) – *Matthew Manley, AICP, Long-Range Planning Manager*

Matt Manley explained that the City of Hendersonville is initiating a zoning text amendment to update language throughout Article V in order to comply with changes to State Law which allow for residential structures with up to 4 dwelling units to be constructed under the Residential Building Code. This was previously an allowance for only single-family and two-family residences. The intent of this change was to make construction of triplexes and quadplexes more cost-effective. Prior to this change, 160D already stated that any dwellings constructed under the Residential Building Code could not be required to meet Building Design Standards. In order to remain in compliance with state law, every statement in the Zoning Ordinance referencing Design Standards not applying to single-family and two-family structures has to be updated to include three-family and four-family structures as well. Additionally, with the updated Fee Schedule adopted with the budget for FY2026, the Fee-in-Lieu of Sidewalk increased from

$75 per LF to $130 per LF. Rather than make reference to a dollar amount in the zoning code, staff are proposing to only make reference to the Fee Schedule as it is reviewed annually. The Planning Board unanimously supported the text updates, voting 6-0 at their August meeting.

Compliance for 3- & 4-Family Dwelling

(25-41-ZTA)

Zoning Text Amendment

City of Hendersonville City Council

September 4th, 2025

Community Development | Planning Division

Matthew Manley, AICP | Long-Range Planning Manager

Project Background

- **Project Name:**
  - Compliance for 3- & 4- Family Dwellings
  - 25-41-ZTA
- **Applicant/Owner:**
  - City of Hendersonville
- **Compliance:**
  - **State Law -**
    - General Statute (HB 488)
    - General Statute 160D-702
    - General Assembly Session Law 2024-57
  - **FY2026 Budget - Fee Schedule**
- **Articles Amended:**
  - **Zoning Ordinance**
    - Section 5-6
    - Section 5-18
    - Section 5-19
    - Section 5-22
    - Section 5-23
    - Section 5-24
    - Section 5-25
    - Section 5-27
    - Section 6-2
    - Section 6-12
    - Section 7-8
    - Article 18
- **Zoning Districts Impacted:**
  - Mixed Use Districts



Proposed Amendment: Mixed Use Districts

Sec. 5-22. GHMU Greenville Highway Mixed Use Zoning District Classification.

***

5-22-4 Design standards.

These standards are intended to apply to all development and redevelopment within the Greenville Highway Mixed Use Zoning District Classification. Applicants for authorization to undertake development or redevelopment within such zoning district must demonstrate compliance with these standards or must undergo alternative design review. NOTE: "Building design element" sub-sections noted below are encouraged but not required for one-, and two-, three & four-family dwellings; property owners/developers may voluntarily consent to these standards per G.S. 160D-702(b).

***

5-22-4.1.5 Architectural details. NOTE: ~~Section 5-22-4.1.5 is not required for one- and two-family dwellings~~ This section is not required for one-, two-, three-, & four-family dwellings; property owners/developers may voluntarily consent to these standards per G.S. 160D-702(b). The appearance of all exposed façades (not just the streetside façade) is important and shall be addressed in development design. Architectural elements like openings, sill details, bulkheads, posts, and other architectural features shall be used to establish human scale at the street level. On corner lots, the applicant shall provide distinctive architectural elements at the corner of buildings facing the intersection. Windows, doors, columns, eaves, parapets, and other building components shall be proportional to the overall scale of the building. Windows shall be vertically aligned.

All buildings other than one-, ~~and~~ two-~~family~~, three-, & four-family dwellings shall provide detailed design along all elevations. Detailed design shall be provided by using at least three of the following architectural features on all elevations. Features may be varied on rear/side/front elevations.

***

Proposed Amendment:
C-1 & CMU

5-6-3.3. Streetscape design. The relationship between a building and areas for pedestrian or vehicular circulation shall be carefully planned in order to avoid negative impacts of one upon the other. All buildings and uses developed in this zoning district classification shall meet the following minimum standards; provided, however, buildings undergoing renovation and rehabilitation, in which the footprint of existing structures is not being increased or altered, may be exempted from regulations regarding street walls and urban open spaces if site conditions make compliance therewith impractical.

a) Street walls.
b) Structured parking facilities.
c) Screening.
d) Street trees.
e) Reflective surfaces. No development subject to these provisions may have exterior walls with a reflectivity value in excess of 36 percent, as measured under the applicable provisions of ASTM-C-1036. No reflective surfaces may be used on street level exterior facades.
f) Urban open spaces.
1)Urban open space size.
2) Accessibility to the street. Urban open space shall be designed so that it is accessible to and visible from the street.
3) Trees.
4) Amenities.
5) Maintenance.
6) Utilities.

The proposed changes reflect updating the Future Land Use designations to align with the Gen H Character Areas and the Focused Intensity Nodes
Additionally, the distance requirement for MGL is proposed to be increased to 350' – which is the length of a typical downtown block. So if a project in the MGL Character Area is within the distance of a typical block from a non-residential zoning district, then Urban Village is permissible.

Proposed Amendment:
C-1 & CMU

5-6-3. Development standards.

***

g) **Exceptions for single, ~~family and~~ two-, ~~family~~ three-, and four-family residences.** Single-~~family and~~ two-, ~~family~~ three-, and four-family residential dwellings shall not be required to comply with ~~the streetscape design regulations contained in~~ subsection 5-6-3.3 e) Reflective Surfaces.

These types of exceptions for Single & Two-Family are proposed to be removed throughout the code so that only architectural standards are exempted.

The proposed changes reflect updating the Future Land Use designations to align with the Gen H Character Areas and the Focused Intensity Nodes
Additionally, the distance requirement for MGL is proposed to be increased to 350' – which is the length of a typical downtown block. So if a project in the MGL Character Area is within the distance of a typical block from a non-residential zoning district, then Urban Village is permissible.

6-12-3 Payment of fee in lieu of construction of sidewalks.
In lieu of requiring construction of the sidewalks, the city manager may allow the applicant to pay a fee~~* of $75.00*~~ per linear foot of sidewalk not constructed, which is hereby determined to be the cost of constructing sidewalks, into the city sidewalk fund when one or more of the following conditions exist.

a) An administrative decision is made determining that construction of sidewalks will not result in useful pedestrian walkways due to one or more of the following:
1) Topographical features will result in impractical design.
2) The lack of adjacent right-of-way for the construction of future sidewalk on adjacent properties.

b) The sidewalk location is not identified as a short-term recommendation, long-term recommendation or included as part of the comprehensive recommended pedestrian network in the most recently adopted City of Hendersonville Pedestrian Plan.

* In the event that the City of Hendersonville includes the fee for this Section 6-12-3 in the city's fee schedule, the fee as stated in the fee schedule shall be deemed to control.

c) As an alternative to a payment in lieu of the installation and construction of sidewalks or a portion thereof, the city manager may approve the applicant constructing an equivalent linear footage of sidewalk off site. The specific location for the sidewalk construction shall be at the city manager's discretion. The off-site sidewalk construction shall be completed, inspected and approved prior to a certificate of occupancy being issued.

Proposed Amendment:
Fee-in-Lieu of Sidewalks Fee Amount

General Rezoning Standards: 1) COMPREHENSIVE PLAN CONSISTENCY		
	LAND SUPPLY, SUITABILITY & INTENSITY	• N/A
	FUTURE LAND USE & CONSERVATION MAP	• **Downtown** • **Mixed Use Employment** • **Mixed Use Commercial** • **Multi-Generational Living**
	COMMITTEE RECOMMENDATION	The Legislative Committee has not reviewed this item to date.

1) Now that we have reviewed the proposed text amendments, let's take a look at the first Criteria considered for a text amendment which is **Comprehensive Plan Consistency.** Staff finds the proposal to be consistent with the Gen H Comprehensive Plan Character Area Descriptions for the Multi-Generational Living, Neighborhood Center, Mixed Use Employment, Mixed Use Commercial, and Downtown Character Areas as well as with the Focused Intensity Nodes.

Relationship to Gen H Comp Plan Character Areas

MULTI-GENERATIONAL LIVING (MGL)
This area is characterized by mixed residential development and a limited amount of small scaled neighborhood-serving commercial. It is comprised of a variety of homes, mixing detached and attached (e.g., townhomes and duplexes) units with a lesser amount of multi-family units. The combination of housing types are intended to create intergenerational neighborhoods.

To highlight this, I have provide an excerpt from the description for Multi-Generational Living. MGL is the least intense Character Area included in the list of permissible Future Land Use designations. As such, it is imperative that the permitted uses in Urban Residential and Urban Village align with this Character Area as the other Character Areas build in intensity

General Rezoning Standards: 2) COMPATIBILITY	
EXISTING CONDITIONS	The proposed amendments update the City's Zoning Code to align with changes to the North Carolina General Statute and to eliminate confusion related to changes to the City of Hendersonville Fee Schedule
RELEVANT GEN H GOALS	**Vibrant Neighborhoods:** [Consistent] **Abundant Housing Choices:** [Consistent] **Healthy and Accessible Natural Environment:** [Consistent] **Authentic Community Character:** [Consistent] **Safe Streets and Trails:** [Consistent] **Satisfying Work Opportunities:** [N/A] **Welcoming & Inclusive Community:** [N/A]
GEN H GUIDING PRINCIPLES	**Mix of Uses:** [Consistent] **Compact Development:** [Consistent] **Sense of Place:** [Consistent] **Conserved & Integrated Open Spaces:** [Consistent] **Desirable & Affordable Housing:** [Consistent] **Connectivity:** [Consistent] **Efficient & Accessible Infrastructure:** [Consistent]

For considering Compatibility, staff reviewed the proposed changes with the Goals and Guiding Principles of the Gen H Comprehensive Plan. We find that the proposed amendment is Compatible. While 3 & 4 Family Uses will no longer be able to be subject to Design Standards, we are ensuring that Townhomes, Duplexes, Tri-plexes, and Quad-plexes are at least complying with site design standards.

General Rezoning Standards: 2) COMPATIBILITY		
DESIGN GUIDELINES ASSESSMENT (Chapter V)	Public Realm – [Consistent] Site Design – [Consistent] Building Design – [Inconsistent]	

Staff also considered the changes at a high level with the Design Guidelines from the Downtown Master Plan given that the changes impact both C-1 and CMU.

General Rezoning Standards	
3) CHANGED CONDITIONS	• Statewide Updates to the Residential Building Code • Update to the CoH Fee Schedule for FY2026
4) PUBLIC INTEREST	• Easing of construction standards for Tri-plexes and Quad-plexes • Additional revenue for new sidewalks

The 3rd Criteria Considered is Changed Conditions - The text amendment is being prompted by the need for updated language in due to changes to the Residential Building Code which expand their application to 3- & 4- Family Dwellings. These housing types used to fall under the Commercial Building Code.

The 4th Criteria Considered is Public Interest – These change will make it easier to construct Triplexes and Quadplexes. Residents will also benefit from added revenue from increased Sidewalk FIL.

General Rezoning Standards		
	5) PUBLIC FACILITIES	• N/A
	6) EFFECT ON NATURAL ENVIRONMENT	• N/A

Staff found that the proposed text amendments have no direct impact on Public Facilities nor an Effect on the Natural Environment.

PLANNING BOARD: Comprehensive Plan Consistency Statement

The petition is found to be **consistent** with the *City of Hendersonville Gen H Comprehensive Plan* based on the information from the staff analysis and the public hearing, and because:

The proposed text amendment aligns with the Gen H 2045 Comprehensive Plan Goals & Guiding Principles

Staff proposes the following Comprehensive Plan Consistency Statement

PLANNING BOARD: Reasonableness Statement

We find this petition to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:

[**Rationale for Approval**]

- The proposed changes bring the Zoning Ordinance into alignment with NC General Statute by relieving 3-&4-Family Dwellings from Building Design Standards
- The proposed changes bring the Zoning Ordinance into alignment with NC General Statute by providing site design standards for all uses in Mixed Use Districts
- The proposed changes provide clarity to the provisions for Fee-in-Lieu of Sidewalks

As well as the following Rationale for Approval. You are encouraged to chose those rationale that you most agree with, as well as to provide your own rationale.

DRAFT: Reasonableness Statement

We **do not** find this petition to be **reasonable** and in the public interest based on the information from the staff analysis and the public hearing, and because:

[**Rationale for Denial**]

- The proposed changes will allow for incompatible building designs
- The proposed changes should not require site design standards for single-family & two-family uses
- The clarification of the Fee-in-Lieu of Sidewalk amount is not needed

Similarly, staff has provided the following rationale for denial.

The City Attorney confirmed this public hearing has been advertised in accordance with North Carolina General Statutes.

The public hearing was opened at 6:45 p.m.

There was no public comment.

The public hearing was closed at 6:45 p.m.

Council Member Lyndsey Simpson moved that the City Council adopt an ordinance amending the official City of Hendersonville Zoning Ordinance Article V. – Zoning District Classifications, Article VI. General Provisions, Article VII. Development Review, & Article XVIII. Mixed Use Zoning to align with NC General Statute and updates to the City's Fee Schedule based on the following:

1. The petition is found to be consistent with the Gen H Comprehensive Plan based on the information from the staff analysis and the public hearing, and because:

The proposed amendments align with the Gen H Comprehensive Plan 'Goals & Guiding Principles'

2. We find this petition, in conjunction with the recommendations presented by staff, to be reasonable and in public interest based on the information from the staff analysis and the public hearing, and because:

1. The proposed changes bring the Zoning Ordinance into alignment with NC General Statute by relieving 3-&4-Family Dwellings from Building Design Standards.
2. The proposed changes bring the Zoning Ordinance into alignment with NC General Statute by providing site design standards for all uses in Mixed Use Districts.
3. The proposed changes provide clarity to the provisions for Fee-in-Lieu of Sidewalks.

A unanimous vote of the Council followed. Motion carried.

B. Annexation: Public Hearing-412 McMurray Road (Gergi Logistics LLC) (25-42-ANX) – *Tyler Morrow, Current Planning Manager*

First, Tyler Morrow wanted to thank City Council for their support through the years and what you do for staff and advocating for staff, so I want to thank you all for that, it is greatly appreciated. I loved working in Hendersonville and enjoyed my time thoroughly here. I will still live in the ETJ of Hendersonville so I will still be around so I will see you all and keep an eye on what is going on in the city. I also wanted to thank Ken for his very kind words. I have never been choked up at a City Council meeting until tonight so thank you for that. Early on I got to witness Ken's very elegant farewell addresses, and I hoped one day that my public service and my work would be worthy of one of those speeches so a dream of mine has come true tonight. We have an amazing staff, and Hendersonville is in great hands.

Mr. Morrow explained that you all had this satellite annexation petition before you last month at your meeting and they had asked for a continuation while they continued working with Henderson County on the zoning aspect. They have not gotten the information that they need and the conversations are continuing with the county to figure out that zoning piece, so they have asked for another continuance of the public hearing.

Council Member Lyndsey Simpson moved to continue the public hearing to the October 2, 2025, City Council meeting. A unanimous vote of the Council followed. Motion carried.

C. Annexation: Public Hearing – Mabry Woods (Holbert & Ponder) (25-46-ANX) – *Tyler Morrow, Current Planning Manager*

Tyler Morrow explained that the City of Hendersonville received a petition from Wanda Ponder, Eugene Holbert, Edgar Holbert, and John Holbert for contiguous annexation of PINs 9578-43-

7077, 9578-53-0013, and 9578-43-9238 and located on Brooklyn Ave that is approximately 6.94 acres. On August 7th, 2025, City Council accepted the City Clerk's Certificate of Sufficiency for the petition submitted and set September 4th, 2025, as the date for the public hearing

Mabry Woods (Holbert & Ponder) (25-46-ANX)

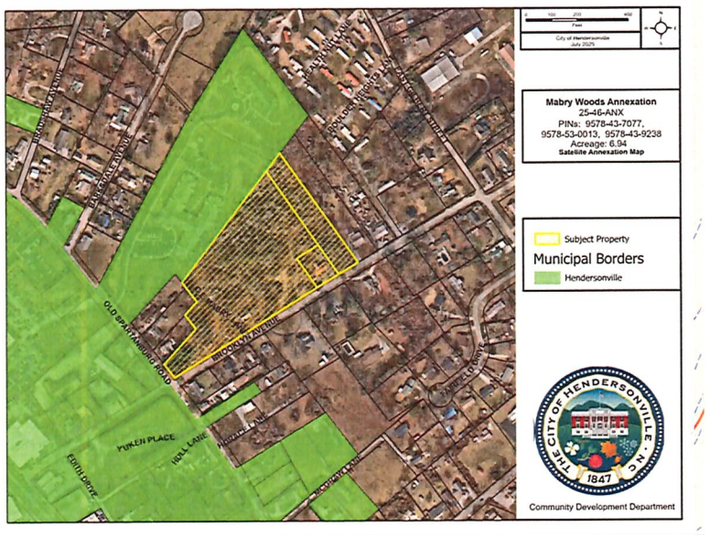
Contiguous Annexation Petition

City of Hendersonville City Council September 4th, 2025

Community Development | Planning Division
Tyler Morrow |Current Planning Manager

Background

+ **Petitioners:**
  + Wanda Ponder
  + Eugene Holbert
  + Edgar Holbert
  + John Holbert
+ **PIN:**
  + 9578-43-7077
  + 9578-53-0013
  + 9578-43-9238
+ **Acreage:**
  + Approximately 6.94 acres



The City Attorney confirmed this public hearing has been advertised in accordance with North Carolina General Statutes.

The public hearing was opened at 6:50 p.m.

Lynne Williams said that what she is hearing that the community is going to lose out on a "pocket park" for a "fee-in-lieu-of" and this forest is important to this part of the community and asked for Council to commit to putting a park there as part of the annexation.

Ken Fitch said this is standard as far as annexations go and we need to be aware of how it affects adjacent properties with a subdivision ordinance.

The public hearing was closed at 6:54 p.m.

Council Member Jennifer Hensley moved City Council adopt an ordinance of the City of Hendersonville to extend the Corporate Limits of the City as a contiguous annexation, to annex that property owned by Wanda Ponder, Eugene Holbert, Edgar Holbert, and John Holbert, identified as PINs 9578-43-7077, 9578-53-0013, and 9578-43-9238, finding that the standards

established by North Carolina General Statute 160A-31 have been satisfied and that the annexation is in the best interest of the City. A unanimous vote of the Council followed. Motion carried.

8. NEW BUSINESS

A. Only Hope WNC Special Appropriations Revocation – *John Connet, City Manager*

City Manager John Connet explained that City Council received a letter today from Only Hope WNC saying that they withdrawal their application for any funding from the city and asked for some additional information, and we will meet with them, but we would like for council to take action to vote to revoke that amount and reappropriate it back into the general fund for fiscal year 2026. Also, I am happy to discuss tonight if you like what we knew, what we saw on the application and what we did not ask. Staff has taken that to heart. As we go forward with our special appropriations process, assumption is never good. You know the assumption that a license was there that was not there and even though we were not directly involved, that is a question we will ask in the future. I apologize to council that that was not on the application, and we look forward to making those amends moving forward.

City Council Lyndsey Simpson moved that City Council revoke and reappropriate $3,000 awarded to Only Hope WNC for Fiscal Year 2026. A unanimous vote of the Council followed. Motion carried.

B. Approval of SB 69 Implementation Schedule – *John Connet, City Manager*

City Manager John Connet explained that at your workshop meeting last week, staff presented a proposed implementation schedule for moving forward with the items in the agreement with Henderson County and the City of Hendersonville as it relates to Senate Bill 69. It was my impression at the time we had a mutual agreement with 4 of the 5 items as it relates to establishing the Water and Sewer Commission including contracting with the rural fire districts, water and sewer planning as well as rate equalization. I think the city is still prepared to honor those four items with an additional discussion related to land use and annexation. However, I know that Council is aware of the comments made at the County Commission meeting on Tuesday. There appears to be some confusion on what the county was asking and what the city was asking the county to do and some disagreement about whether there is an agreement on four of the five items. Staff is still prepared to move forward with the implementation but I would maybe propose an alternative approach that council direct staff to write a formal letter, address it to all of the county commissioners on behalf of this entire board with signatures from all five of you that would explain our request for them to consider the interlocal agreement that we proposed which would include moving forward with the water and sewer commission, joint planning which this council has supported and believes is the best path forward. Also, move forward with contracting with rural fire departments, water and sewer planning and equalization of rates. Formally put that out there and put our formal expectations. I am open to discussion. This is just a suggestion, and I am open to more ideas. Your interlocal agreement was distributed to the County Manager and County Attorney on August 8th and we have record of that.

Council Member Jennifer Hensley would like to move forward with the implementation schedule. That is what we have committed to doing. I would like them to join and be a part of that implementation schedule. That would be my preference but that is up to you all.

Council Member Jennifer Hensley moved that the City Council approve the proposed SB 69 Implementation Schedule as well as wording a letter to the County Commissioners requesting a formal adoption as well. A unanimous vote of the Council followed. Motion carried.

C. Approval of Grey Mill Promissory Note Termination – *John Connet, City Manager*

City Manager John Connet said that this is something to celebrate if we move forward with this. The Grey Hosiery Mill is five years past opening and in full occupancy. The original developer has offers to purchase. If you remember there was a promissory note where we loaned them $500,000 in CDBG funds and they agreed to repay it as well as there was a condition for seven affordable units so they are in the process of selling and would pay back the money they owe us. In order to sell, the new purchaser is not interested in having the AMI requirement and Grey Mill

is willing to pay us a premium to remove that requirement premium of $50,000. Angie has drafted an agreement for them to pay off the promissory note as well as the $50,000 premium under the condition that the existing tenants will have one year (12 months) to remain in their units at the same rental rate at the current AMI rate so if they do close on the property the city will receive our money, full payment back plus $50,000 which we will reinvest in your affordable housing strategies and so we ask you to approve the termination of the promissory note.

City Attorney Angela Beeker added that there is a second promissory note that would be paid off as well for the purchase of the property for $200,000 so the total that the city would get is just over $800,000. She also said that the grant would have to be closed out as well.

Council Member Melinda Lowrance moved that the City Council approve the termination of the Grey Mill Promissory Note. A unanimous vote of the Council followed. Motion carried.

9. CITY MANAGER REPORT

City Manger John Connet wanted to let City Council know that there will be a 911 remembrance ceremony next Thursday at 9am in front of the historic courthouse.

Also, we did install downtown cameras right before the apple festival and they have, as we saw with some emails and Facebook posts, benefited us so thank you for allowing us to invest in those cameras up and down Main Street and I know the Police Department appreciates it.

Lastly, and I will send out a mass email, thanking and congratulating stuff for a wonderful weekend during the apple festival. Our team, as always, exceeded all expectations. We had remarkable weather, which I am sure Lew Holloway will take credit for. Our Public Works staff, Police and Fire were down there all weekend. It was a safe event and a clean event. We came back Tuesday morning and you could hardly tell that anything had happened. I think it was a record crowd or definitely record sales. If you talk to any of the local apple growers at 4:00p.m. on Monday had sold out and were ready to go home and said it was one of the best years.

A. August 2025 Contingency and Adjustment Report – *John Connet, City Manager*

In accordance with North Carolina General Statute (NCGS) 159-13(b) it is required that all expenditures resulting from a contingency appropriation budget be reported to the governing board at its next regular meeting and recorded in the minutes.

NCGS 159-15 permits the Budget Officer (City Manager), to transfer budget from one appropriation to another within the same fund, provided any such transfers are reported to the Governing Board. The City of Hendersonville refers to transfers of budget from one appropriation to another within the same fund as a "budget adjustment". City Council authorizes budget adjustments each year with the adoption of the annual budget ordinance (SECTION 4).

This agenda item serves to fulfill the reporting requirements of both NCGS 159-13(b) and 159-15 by providing City Council a summary of all amendments and adjustments occurring thus far in the fiscal year.

FISCAL YEAR 2025 - 2026 (FY26)
BUDGET AMENDMENTS AND ADJUSTMENTS

Completed / Proposed / Corrected / Denied

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET	DESCRIPTION	APPROVED	TYPE	AMENDMENT NUMBER
010-0000-534999	Contingency	72,880	-	22,800	50,080	Fountain Works	yes	Adjustment	7/29/2025
010-1002-519200	Contracted Services	28,000	22,800	-	50,800	Fountain Works	yes	Adjustment	7/29/2025
060-0000-534999	Contingency	100,000	-	12,475	87,525	Fountain Works	yes	Adjustment	7/29/2025
060-1002-519200	Contracted Services	-	12,472	-	12,472	Fountain Works	yes	Adjustment	7/29/2025
010-1002-519200	Contracted Services	50,800	-	4,400	46,400	Council technology	yes	Adjustment	7/29/2025
010-1002-534000	Non-capital equipment	-	4,400	-	4,400	Council technology	yes	Adjustment	7/29/2025
010-1010-519200	Contracted Services	330,517	-	4,100	326,417	Debt Book	yes	Adjustment	8/6/2025
010-1008-519200	Contracted Services	35,500	4,100	-	39,600	Debt Book	yes	Adjustment	8/6/2025
064-7455-521010	R&M Building	5,000	-	1,871	3,129	Parking Kiosk	yes	Adjustment	8/15/2025
064-7455-554001	Capital Outlay- Equipment Other Than	19,079	1,871	-	20,950	Parking Kiosk	yes	Adjustment	8/15/2025
060-7135-555003	CO- Paints, Pump Stations	90,000	-	54,850	35,150	Aeration Basin Tank	yes	Adjustment	8/20/2025
060-1014-534000	Non-Capital Equipment	9,900	54,850	-	64,750	Aeration Basin Tank	yes	Adjustment	8/20/2025
060-1014-534000	Non-Capital Equipment	64,750	-	54,850	9,900	Aeration Basin Tank - correction	yes	Adjustment	8/20/2025
060-7135-534000	Non-Capital Equipment	-	54,850	-	54,850	Aeration Basin Tank - correction	yes	Adjustment	8/20/2025
060-7035-554001	CO Equipment Other Than	30,000	-	22,329	7,671	Chlorine Analyzers - WTP	yes	Adjustment	8/20/2025
060-7035-534000	Non-Capital Equipment	-	22,329	-	22,329	Chlorine Analyzers - WTP	yes	Adjustment	8/20/2025
020-2102-532001	Electricty	52,000	-	2,727	49,273	Cleaning Contract- July City Wide	yes	Adjustment	8/21/2025
020-1523-519200	Non-Capital Equipment	17,235	2,727	-	19,962	Cleaning Contract- July City Wide	yes	Adjustment	8/21/2025

10. CITY COUNCIL COMMENTS

Council Member Jennifer Hensley just wanted to thank Jay Heatherly for getting all the cameras working downtown for the apple festival.

11 . ADJOURN

There being no further business, the meeting adjourned at 7:15 p.m. upon unanimous assent of the Council.

Barbara G. Volk, Mayor

ATTEST:

Jill Murray, City Clerk