



# MINUTES

December 3, 2020

## REGULAR MEETING OF THE CITY COUNCIL

ASSEMBLY ROOM - OPERATIONS CENTER | 305 WILLIAMS ST. 5:48 p.m.

**Present:** Mayor Barbara G. Volk, Mayor Pro Tem Jerry Smith, and Council Members: Jeff Miller, Dr. Jennifer Hensley, and Lyndsey Simpson

**Staff Present:** City Manager John F. Connet, City Attorney Angela Beeker, Assistant City Manager Brian Pahle, City Clerk Angela Reece, Communications Manager Allison Nock, Interim Police Chief Bill Hollingsed, Community Development Director Lew Holloway, Planner Tyler Morrow, Utilities Director Lee Smith; and Utilities Engineer, Adam Steurer

### 1. **Call to Order**

Mayor Volk called the meeting to order at 5:48 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.*

Indián Jackson of 11 Mountain Rd. addressed City Council stating she appreciates anyone who is willing to take Diversity and Inclusion Training stating she feels systemic racism is affecting everyone locally and asked City Council Members to consider approving a Diversity and Inclusion position.

### 4. **Consideration of Agenda**

Council Member Jerry Smith requested to REMOVE Item 9E, Hands On Children's Museum Request for Assistance.

*Council Member Jeff Miller moved to amend and approve the agenda removing Item 9E, Hands On Children's Museum Request for Assistance. A unanimous vote of the Council followed. Motion carried.*

### 5. **Consent Agenda**

#### **A. Adoption of City Council Minutes**

- i. November 5, 2020, Regular Session

#### **B. Annual City Council Meeting Schedule - Presenter: John F. Connet, City Manager**

#### **C. Public Comment Policy Ratification - Presenter: John F. Connet, City Manager**

#### **D. Tax Releases, Discoveries and Refunds - Presenter: Jennifer Musselwhite, Revenue Supervisor**

#### **E. City of Hendersonville Uniform Guidance Gifts and Favors Policy - Presenter: Angela S. Beeker, City Attorney**

#### **F. City of Hendersonville Uniform Guidance Procurement Policy - Presenter: Angela S. Beeker, City Attorney**

#### **G. Justification for the Sole Source Purchase of Hapco Utility Poles & GE Lights for 7<sup>th</sup> Avenue Streetscape Project - Presenter: Brent Detwiler, City Engineer**

#### **H. Justification for the Sole Source Purchase of Neenah Tree Grates for 7<sup>th</sup> Avenue Streetscape Project - Presenter: Brent Detwiler, City Engineer**

**I. Ordinance Adding Civil Penalties to General Penalties Section- Presenter: Angela S. Beeker, City Attorney**

**Ordinance #20-0589**

**AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL  
TO ALLOW FOR CIVIL PENALTIES AS AN OPTION WHEN  
NO SPECIFIC PENALTIES ARE PROVIDED**

**WHEREAS**, Section 1-6 of the Code of Ordinances, City of Hendersonville, North Carolina, “General Penalty for violation of Code; continuing violations, providing injunction relief” provides a general penalty for violation of the Code whenever there is no specific penalty stated for a violation of a provision of the Code; and

**WHEREAS**, the penalties provided in Section 1-6 include criminal penalties or injunctive relief for a violation of the Code; and

**WHEREAS**, the City Council desires to add a civil penalty as an optional penalty for a violation of the Code where there is no specific penalty state;

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Hendersonville, North Carolina:

1: SECTION 1-6 OF THE CODE OF ORDINANCES, CITY OF HENDERSONVILLE, NORTH CAROLINA IS AMENDED TO READ AS FOLLOWS:

Sec. 1-6. – General penalty for violation of Code; continuing violations, criminal and injunctive relief; civil penalties

Whenever in this Code or in any ordinance of the city any act is prohibited or is made or declared to be unlawful or an offense or a misdemeanor or whenever in such Code or ordinance the doing of any act is required or the failure to do such act is declared to be unlawful, where no specific penalty is provided therefor, the violation of any such provision shall subject the offender to one or more of the following:

(a) A Class 3 misdemeanor, punishable shall be punished by a fine not exceeding \$500.00 or by imprisonment for a term not exceeding 30 days; or

(b) A civil penalty in the amount of \$50.00 per violation to be recovered by the City in a civil action in the nature of debt if the offender does not pay the penalty within forty-five (45) days after the citation for violation of the ordinance or this Code.

Each day that any violation of this Code or of any ordinance shall continue shall constitute a separate offense. The ordinances contained in this Code and other ordinances of the City may be enforced by appropriate equitable remedies issuing from a court of competent jurisdiction.

A violation of this Code or of any ordinance may be enforced through a combination of one or more of the enforcement methods provided in this Section 1-6.

2: THIS ORDINANCE SHALL BE EFFECTIVE UPON ADOPTION.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 3<sup>rd</sup> day of December 2020.

/s/Barbara G. Volk, Mayor

Attest: /s/Angela L. Reece, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

***Council Member Jeff Miller moved to approve the items on the consent agenda as presented. A unanimous vote of the Council followed. Motion carried.***

**6. Presentations**

**A. Diversity and Inclusion Position Presentation - Presenter: Wendy Navarez**

Wendy Navarez, MPA candidate Western Carolina University, presented information to City Council regarding diversity in the City of Hendersonville. Ms. Navarez stated her research indicated a decrease in the African American population in most of the City in the last twenty years while the Hispanic/Latino population is increasing. Ms. Navarez recommended a hybrid position which includes human resources duties as outlined in the graphic below.



Council Member Dr. Jennifer Hensley discussed considerations of the rate of pay commensurate with qualifications required of an HR position. Council Member Jeff Miller stated he would like to see input from the Diversity Committee on this position. City Manager John Connet stated staff are working to formalize a proposed job description and duties as it relates to the pay and classification plan and advised he will present this to Council for further consideration at their January meeting.

## 7. Public Hearings

### A. **Annexation - Landings of Flat Rock- Petition by Agemark Acquisition, LLC, Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, Paula Camenzind Carter, And Robert O. Camenzind, for satellite annexation of 8.449 acres identified as PIN # 9588-12-7382 located on S. Allen Road**

Tyler Morrow, Planner I addressed City Council stating the City of Hendersonville has received a petition from Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, Paula Camenzind Carter, Robert O. Camenzind for satellite annexation of a portion of PIN 9588-12-7382 located on S. Allen Road that is approximately 8.449 acres and recalled City Council accepting the Clerk's Certificate of sufficiency at their November 5th, 2020 meeting. The City Clerk confirmed this hearing has been advertised in accordance with North Carolina General Statutes.

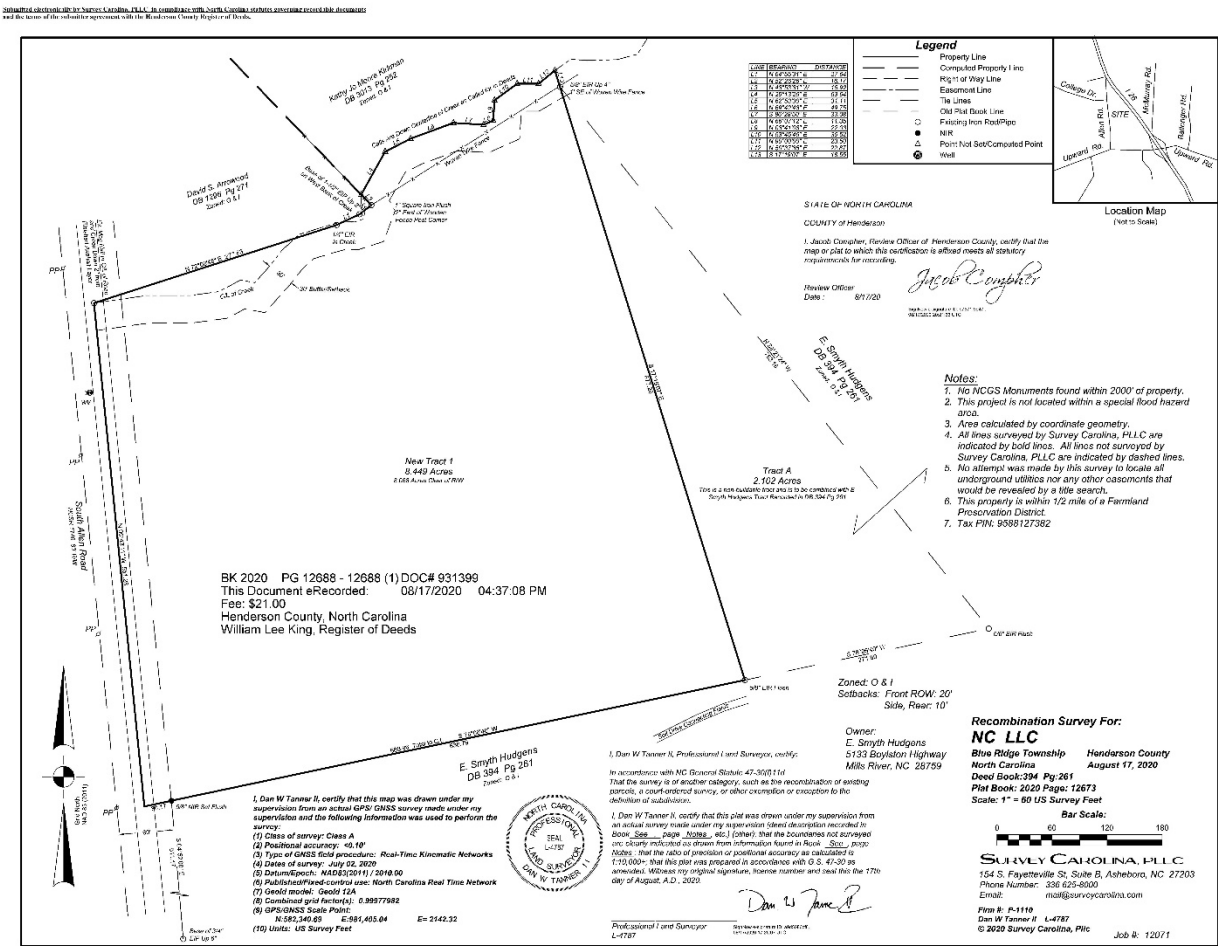
The public hearing was opened at 6:27 p.m.

Corey Mavis of Carolina Commercial Contractors, also representing HMark, Acquisitions addressed City Council speaking in favor of the proposed 58 bed independent living facility.

Ken Waldrop representing ALG Senior, owner and operator of the proposed facility addressed City Council requesting consideration of this annexation stating his company hires local families and provides care for area seniors.

There was no discussion by City Council. The public hearing was closed at 6:29 p.m.

***Council Member Jerry Smith moved that City Council adopt an ordinance annexing the property included in the petition from Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, Paula Camenzind Carter, Robert O. Camenzind effective December 3rd, 2020. A unanimous vote of the Council followed. Motion carried.***



Ordinance #20-0590

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA AS A SATELLITE ANNEXATION

**WHEREAS**, the City of Hendersonville has been petitioned by Agemark Acquisition, LLC, Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, John Thomas Fleming, Paula C. Carter, Lynda Hill Camenzind, Brenda Merrill Camenzind, Charles Norman Carter and Robert O. Camenzind pursuant to North Carolina General Statutes (NCGS) 160A-58.1, as amended, to annex the area described herein below; and

**WHEREAS**, the City Clerk has investigated and certified the sufficiency of said petition; and

**WHEREAS**, a public hearing on the question of this annexation was held at City Hall, Hendersonville, N.C. at 5:45 p.m., on the third day of December 2020, after due notice by publication as by law provided on November 22 and November 29, 2020; and

**WHEREAS**, the City Council further finds the areas described therein meets the standards of N.C. G.S. 160A-58.1(b), to wit:; and

- a. All of the proposed satellite corporate limits are less than three miles from the primary corporate limits of Hendersonville. The map distance is 5,161 feet.
- b. No point on the proposed satellite corporate limit is closer to the primary corporate limits of another city than to the primary corporate limits of Hendersonville.
- c. The area described is so situated that the City of Hendersonville will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.
- d. The area proposed for annexation is not a subdivision as defined in NCGS 160A-376.
- e. The area within the proposed satellite corporate limits, when added to the areas within all other satellite corporate limits does not exceed 10 percent (10%) of the area within the primary corporate limits of the City of Hendersonville.

**WHEREAS**, the City further finds that the petition has been signed by all the owners of real property in the area who are required by law to sign; and

**WHEREAS**, the City further finds that the petition is otherwise valid, and that the public health, safety and

welfare of the City and of the area proposed for annexation will be best served by annexing the area described,

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Hendersonville, North Carolina:

**Section 1.** By virtue of the authority granted by N.C.G.S. 160A-58.2, as amended, the following described noncontiguous area is hereby annexed and made part of the City of Hendersonville as of the third day of December 2020.

BEING ALL OF THAT REAL PROPERTY SHOWN ON THAT PLAT RECORDED ON PLAT SLIDE 12688 OF THE HENDERSON COUNTY REGISTRY, AND BEING DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT AN EXISTING MAG NAIL IN THE CENTERLINE OF SR 1746 AND THE CENTERLINE OF A CREEK; THENCE A STRAIGHT LINE N 72°08'48" E A DISTANCE OF 277.83' TO AN 1/4" EIR IN SAID CREEK; THENCE N 64°55'31" E A DISTANCE OF 27.64' TO AN 1-1/2" EIP ON THE WEST BANK OF SAID CREEK; THENCE N 52°26'26" E A DISTANCE OF 16.17' TO AN 1" SQUARE IRON FLUSH AT WOODEN FENCE POST CORNER THE SE CORNER OF DAVID ARROWOOD, DB 1296 PG 271; THENCE ALONG ARROWOOD EASTERN PROPERTY LINE N 43°53'31" W A DISTANCE OF 15.92' TO A POINT NOT SET IN THE CENTERLINE OF SAID CREEK; THENCE DOWN THE CENTERLINE OF SAID CREEK THE FOLLOWING 9 CALLS; N 29°13'26" E A DISTANCE OF 53.64'; N 62°53'30" E A DISTANCE OF 31.11'; N 69°42'48" E A DISTANCE OF 49.75'; S 86°28'50" E A DISTANCE OF 33.08'; N 66°07'12" E A DISTANCE OF 11.35'; N 03°41'08" E A DISTANCE OF 22.03'; N 53°45'46" E A DISTANCE OF 30.52'; N 90°00'00" E A DISTANCE OF 23.50'; N 50°37'35" E A DISTANCE OF 22.87'; THENCE LEAVING THE CREEK S 17°19'07" E A DISTANCE OF 18.55' TO A NEW IRON ROD SET 1' SE OF WOVEN WIRE FENCE; THENCE CONTINUING S 17°19'07" E A DISTANCE OF 677.28' TO A NEW IRON ROD SET; THENCE S 78°06'40" W A DISTANCE OF 638.79' TO A ON THE EASTERN R/W OF SR 1746; THENCE CONTINUING S 78°06'40" W A DISTANCE OF 30.17' TO A POINT NOT SET IN THE CENTERLINE OF SR 1746; THENCE ALONG THE CENTERLINE OF SR 1746, N 05°43'11" W A DISTANCE OF 551.28'; WHICH IS THE POINT OF BEGINNING, AND CONSISTING OF +/- 8.449 ACRES.

**Section 2.** Upon and after the third day of December 2020, the above described territory, and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Hendersonville, and shall be entitled to the same privileges and benefits as other parts of the City of Hendersonville. Said territory shall be subject to municipal taxes according to NCGS 160A-58.10, as amended.

**Section 3.** The Mayor of the City of Hendersonville shall cause to be recorded in the office of the Register of Deeds of Henderson County and at the Office of the Secretary of State in Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1, above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Henderson County Board of Elections, as required by G. S. 163-288.1.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 3<sup>rd</sup> day of December 2020.

/s/Barbara G. Volk, Mayor

Attest: /s/Angela L. Reece, City Clerk

Approved as to form: /s/Angela S. Becker, City Attorney

**B. Conditional Zoning District - Landings of Flat Rock- Agemark Acquisition, LLC, Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, Paula Camenzind Carter, and Robert O. Camenzind, for satellite annexation of 8.449 acres identified as PIN# 9588-12-7382 located on S. Allen Road, from Henderson County OI, Office Institutional District, to PRD CZD, Planned Residential Development Conditional Zoning District, for a one-story, 58 bed, 32,000 sq. ft. assisted living facility and a three-story 95 bed, 85,000 sq. ft Independent Living Facility**

Tyler Morrow, Planner I addressed City Council stating the City is in receipt of a Conditional Rezoning application from Agemark Acquisition, LLC, Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, John Thomas Fleming, Paula C. Carter, Lynda Hill Camenzind, Brenda Merrill Camenzind, Charles Norman Carter and Robert O. Camenzind for the development of a 32,000 square foot assisted living facility and an 85,000 square foot independent living facility on approximately 8.449 acres. Mr. Morrow stated the subject property is identified as parcel number 9588-12-7382 and is currently vacant and said the applicant is requesting to rezone the subject property from Henderson County Office Institutional to PRD-CZD Planned Residential Development Conditional Zoning District.

After much discussion the following conditions were agreed upon.

**IN RE: The Landings of Flat Rock Rezoning (File # P20-36-CZD)**

**List of Uses & Conditions**

**I. Stipulated Uses:**

**Only the following uses are authorized for the referenced development:**

- Accessory structures
- Congregate care facilities
- Home Occupations

**II. Conditions:**

**(1) Shall Be Attached to the Conditional Rezoning and Satisfied Prior to Issuance of Final Site Plan Approval:**

- a. 7-3-3.2 (n): Provide a survey showing tree line before site preparation with species and diameter of trees 12 inches or greater DBH (diameter at breast height)
- b. 5-14-6.6 & Section 15: Provide a landscaping plan that shows tree and shrub locations within the proposed 10-foot type B buffer along the east, south and west property lines.

**(2) Shall Be Attached to the Conditional Rezoning:**

- a. Final plans for the project shall comply with approved plans, the conditions agreed to on the record of this proceeding, including that the lighting for the project be dark skies compliant, and applicable provisions of the Hendersonville Zoning Ordinance and Code of Ordinances.
- b. Provide a total area open space of 56% rather than the required 65% Special Requirement for Congregate Care Facilities and the 60% requirement for the Planned Residential Development Zoning District.
- c. Use a bed-based density calculation rather than the bedroom-based density calculation from section 16-4-10 (d) of the Zoning Ordinance:

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

The public hearing was opened at 6:47 p.m.

Ken Fitch-of 1046 Patton Street Hendersonville addressed City Council stating this project would serve portions of the senior population in the area. Mr. Fitch requested consideration of preserving trees along the property line and of lowering the speed limit in the area for safety. Mr. Fitch stated this project illustrates the need for the Fire Station 3 project.

The public hearing was closed at 6:51p.m.

Council Member Jerry Smith clarified that the Tree Board is not required to review the plans but may. Manager Connet stated the Tree Board would review larger types of projects and make recommendations to City Council. Council Member Jeff Miller requested compliance with Dark Sky initiative if allowed by applicable law.

***Council Member Jerry Smith moved that City Council adopt an ordinance amending the official zoning map of the City of Hendersonville changing the zoning designation of the subject property from Henderson County Office Institutional to PRD-CZD Planned Residential Development Conditional Zoning District, based on the site plan submitted by the applicant and subject to the limitations and conditions stipulated on the Published List of Uses and Conditions, including the condition that the lighting be Dark Sky Compliant if allowed by applicable State law, finding that the rezoning is consistent with the Comprehensive Plan's Future Land Use map, and that the rezoning is reasonable and in the public interest for the following reasons in that it supplies additional housing for elderly who need assisted living or independent living facilities. A unanimous vote of the Council followed. Motion carried.***

## Ordinance #20-0591

**AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND THE  
OFFICIAL ZONING MAP OF THE CITY OF HENDERSONVILLE FOR A PORTION OF PARCEL  
NUMBER 9588-12-7382 BY CHANGING THE ZONING DESIGNATION  
FROM HENDERSON COUNTY OFFICE INSTITUTIONAL  
TO PRD-CZD PLANNED RESIDENTIAL DEVELOPMENT  
CONDITIONAL ZONING DISTRICT**

**WHEREAS**, the City is in receipt of a Conditional Rezoning application from Agemark Acquisition, LLC, Peggy C. Cabe, Enno F. Camenzind, Joan C. Fleming, John Thomas Fleming, Paula C. Carter, Lynda Hill Camenzind, Brenda Merrill Camenzind, Charles Norman Carter and Robert O. Camenzind for the development of a 32,000 square foot assisted living facility and an 85,000 square foot independent living facility on approximately 8.449 acres, and

**WHEREAS**, the Planning Board took up this application at its regular meeting on November 9<sup>th</sup>, 2020; voting 5-0 to recommend City Council adopt an ordinance amending the official zoning map of the City of Hendersonville, and

**WHEREAS**, City Council took up this application at its regular meeting on December 3<sup>rd</sup>, 2020, and

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Hendersonville, North Carolina:

1. Pursuant to Article XI of the Zoning Ordinance of the City of Hendersonville, North Carolina, the Zoning Map is hereby amended by changing the zoning designation of the following:

A portion of parcel number 9588-12-7382 from Henderson County Office Institutional to PRD-CZD Planned Residential Development Conditional Zoning District.

2. Development of the parcel shall occur in accordance with the final site plan requirements of Article VII of the Zoning Ordinance of the City of Hendersonville, North Carolina, and shall be subject to the site limitations and conditions stipulated on the published List of Uses and Conditions.
3. This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 3<sup>rd</sup> day of December 2020.

/s/Barbara G. Volk, Mayor

Attest: /s/Angela L. Reece, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

**C. Conditional Zoning District – Courthouse Inn- Consideration of Application by Stephen D. Barker of the Rainer Group, LLC for rezoning the subject property, PIN# 9568-77-5249 Located at 101 N. Church Street, from C-1, Central Business District, to C-1 CZD, Central Business Conditional Zoning District for a 55,000 sq. ft. Hotel with a Restaurant/Bar and Meeting Space**

Community Development Director Lew Holloway addressed City Council stating the City is in receipt of a Conditional Rezoning application from Stephen Barker, Catellus Group, LLC for the development of a 5 story 55,000 square foot 69 room hotel on a 0.78-acre lot. He stated the subject property is identified as parcel number 9568-77-5249 and is currently vacant. The applicant is requesting to rezone the subject property from C-1, Central Business District to C-1 CZD, Central Business Conditional Zoning District.

Walter Fields of 1919 South Blvd. Suit 101 Charlotte addressed City Council in support of approval of this project. Mr. Fields discussed measures the project has taken to accommodate the Historic Preservation's requirements for the site and said this building was designed specifically for the site and character of the community and said the project complies with height requirements and has included parking designed to accommodate aesthetic and traffic patterns in that area for safety. Mr. Fields stated the design includes a public plaza including outdoor seating and other streetscape amenities including a terraced greenspace accessible to the public. Mr. Fields stated he believe the project is compatible with the City's comprehensive planning to support the downtown corridor as well as the nearby residential neighborhood.



Architect Steven Overcash, of 2010 South Tryon St. Charlotte addressed City Council stating his firm studied the architecture over the last 120 years of the City and have incorporated elements into the design of this project. He stated the building was designed to blend into the City as well as within the neighboring residential neighborhoods.

The City Clerk stated this has been advertised according to state law

The public hearing was opened at 7:28 p.m.

Ken Fitch of 1046 Patton Street Hendersonville addressed City Council expressing concerns the project will have on the “small town character” as well as the height of the structure in relation to the Historic Courthouse.

The public hearing was closed at 7:41 p.m.

Chelsey Garrett, Attorney of Boon NC, acknowledged the City’s ordinance and comprehensive plan and requested consideration of this project stating she believes it is compatible and has been strenuously vetted through the Historic Preservation Commission. Attorney Garret stated this hotel as designed meets the height requirements and is a permitted use in the zoned district. Attorney Garret reminded everyone that the parking deck is the element that requires rezoning consideration and stated she feels her clients have designed the structure to accommodate parking needs as well as all of the HPC requirements for the downtown corridor.

The public hearing was reopened at 7:46 p.m. to allow a comment from Andrew Riddle who was having technical difficulties connecting.

Andrew Riddle of Hendersonville addressed City Council in support of the project stating he is a neighboring property owner and said he believes the hotel will provide additional places for visitors to stay downtown.

The public hearing was closed at 7:49 p.m.

Council Member Dr. Jennifer Hensley stated she is in support of the project and commended the architects for working to blend the historic features into their design as well as providing multiple entrances for parking. Council Member Jeff Miller stated he would like to withdraw the Dogwood Lot from consideration of another hotel if this project is approved. Mayor Volk stated she feels the traditional hotel would draw a different type of clientele than a local bed and breakfast would. Council Member Jerry Smith stated he believes the height ordinance should be revisited at a later date. Council Member Lyndsey Simpson stated she agrees with Dr. Hensley and Mayor Volk in their comments stating this would provide a good opportunity for visitors to come who normally wouldn’t. Council Member Jeff Miller asked that the project be Dark Sky compliant and the developer agreed.

After much discussion the following conditions were agreed upon.

## **IN RE: 101 N. Church Street Rezoning - Courthouse Inn (File # P20-27-CZD)**

### **List of Uses & Conditions**

#### **I. Stipulated Uses:**

**Only the following uses are authorized for the referenced development:**

- Hotels and motels
- Restaurants
- Parking lots and parking garages

#### **II. Conditions:**

- (1) Shall Be Attached to the Conditional Rezoning and Satisfied Prior to Issuance of Final Site Plan Approval:**



**WHEREAS**, the Planning Board took up this application at its regular meeting on November 9<sup>th</sup>, 2020; voting 4-1 to recommend City Council adopt an ordinance amending the official zoning map of the City of Hendersonville; and

WHEREAS, City Council took up this application at its regular meeting on December 3<sup>rd</sup>, 2020; and

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

1.

Pursuant to Article XI of the Zoning Ordinance of the City of Hendersonville, North Carolina, the Zoning Map is hereby amended by changing the zoning designation of the following:

Parcel 9568-77-5249 from C-1 Central Business District to C-1-CZD Central Business Conditional Zoning District.
2.

Development of the parcel shall occur in accordance with the final site plan requirements of Article VII of the Zoning Ordinance of the City of Hendersonville, North Carolina, and shall be subject to the site limitations and conditions stipulated on the published List of Uses and Conditions.
3.

This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 3<sup>rd</sup> day of December 2020.

/s/Barbara G. Volk, Mayor

Attest: /s/Angela L. Reece, City Clerk

Approved as to form: /s/Angela S. Becker, City Attorney

8. Unfinished Business- There was no unfinished business.

9. New Business

A. **Capital Project Updates – Parking Deck** – *Presenter: Brian Pahle, Assistant City Manager*

Assistant City Manager, Brian Pahle addressed City Council providing updates on the budget, design, timing, and revenue updates of the Parking Deck Project. Mr. Pahle stated the only major changes made from original renderings have been the reduction of one story and the elimination of brick on the south and east facing facades with a cost savings of \$112,000 and removal of a planter wall with a cost savings of \$122,000. Mr. Pahle discussed the project timeline and financial model for this project as follows:

April 2021: Loan Issuance, Start Construction

December 2021: Install Kiosks, First Interest Payment

January 2021: Turn on Parking Meters, New Permit Structure

April 2021: Complete Construction, Issue Deck Permits

June 2023: First Principal Payment

	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
REVENUES										
Daily Parking										
Daily Parking Sub-total	110,000	327,295	749,700	749,700	749,700	874,500	874,500	874,500	874,500	874,500
Leases										
Leased Parking Subtotal	47,520	70,340	190,200	218,500	228,700	237,300	256,500	275,300	283,200	313,900
Citations/Penalties										
Citations/Penalties Subtotal	7,300	9,400	9,400	11,400	16,000	13,600	13,100	13,000	12,900	12,400
Other Financing Sources										
Other Financing Sources Subtotal	10,073,477	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	10,238,297	407,035	949,300	979,600	994,400	1,125,400	1,144,100	1,162,800	1,170,600	1,200,800
EXPENDITURES										
Personnel										
Personnel Subtotal	95,340	96,019	96,704	97,396	98,096	98,802	99,515	100,236	100,963	101,698
Operating										
Operating Subtotal	-	262,300	298,400	300,700	303,100	305,700	308,200	310,600	186,400	189,000
Amount to be Financed										
Land/ROW/Easements	2,000,000	-	-	-	-	-	-	-	-	-
Professional/Contracted Services	982,234	-	-	-	-	-	-	-	-	-
Construction Costs	7,091,243	-	-	-	-	-	-	-	-	-
Amount to be Financed Subtotal	10,073,477	-	-	-	-	-	-	-	-	-
Debt Service										
Principal (20 Years at 2.50%)	-	-	394,348	404,206	414,312	424,669	435,286	446,168	457,322	468,755
Interest (20 Years at 2.50%)	-	251,837	241,978	231,873	221,515	210,899	200,016	188,862	177,429	165,710
Debt Service Subtotal	-	251,837	636,326	636,079	635,827	635,568	635,302	635,030	634,752	634,466
TOTAL EXPENDITURES	10,168,817	610,156	1,031,430	1,034,176	1,037,023	1,040,070	1,043,018	1,045,866	922,115	925,164
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	69,480	(203,121)	(82,130)	(54,576)	(42,623)	85,330	101,082	116,934	248,485	275,636

Mr. Pahle discussed revenue options for parking fees based on \$1.50 for parking meters discussing a potential deficit in the year 2023 and said the terms of the loan and any additional construction costs will have impacts on the projected figures. Mr. Pahle stated with implementation of the \$1.50 parking fee and the sale of the Dogwood Lot for \$1M staff believes the City would break even on this project.

There was no discussion.

**B. Aerial Infrared Imaging Survey – Sanitary Sewer Collection System Agreement & Resolution - Presenter: Lee Smith, Utilities Director**

Lee Smith, Utilities Director addressed City Council stating House Bill 1087 (Water/Wastewater Public Enterprise Reform) appropriated funding to local environmental non-profit MountainTrue for surface water quality testing and identification of potential sources of pollution within the French Broad River watershed. He stated that MountainTrue has approached the City to split the cost of an aerial infrared imaging study of the City's sanitary sewer collection system. He said the purpose of the survey is to locate potential sources of pollution resulting from defects within the City's sanitary sewer collection system and said it may also identify privately-owned septic system discharges as well as water leaks from the City's water distribution system. Director Smith stated MountainTrue has proposed to split the cost of the survey with the City and said if approved the City's portion of the survey will be \$33,875.

Hartwell Carson, French Broad Riverkeeper with MountainTrue stated the technology is a beneficial and valuable tool to assist in determining the causes of high E. coli rates in the waterways. Utilities Engineer Adam Steurer stated the study includes areas that the County Health Department identified as having failing septic tanks.

*Council Member Jeff Miller moved that City Council adopt the Resolution to authorize the City Manager to enter into a three-party agreement with Stockton Infrared Thermographic Services, Inc. and MountainTrue for an aerial infrared imaging study of the City's sanitary sewer collection system with such terms and conditions as may be approved by the City Manager in consultation with the City Attorney. A unanimous vote of the Council followed. Motion carried.*

**Resolution #20-0593**

**RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO  
AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH  
STOCKTON INFRARED THERMOGRAPHIC SERVICES, INC. AND MOUNTAINTRUE  
FOR AN AERIAL INFRARED IMAGING SURVEY**

**WHEREAS**, the City intends to have an aerial infrared survey performed on its sanitary sewer collection system to locate potential sources of pollution from the City's collection system but will also identify privately-owned septic system discharges as well as water leaks from the City's water distribution system; and

**WHEREAS**, the City and MountainTrue have received a proposal from Stockton Infrared Thermographic Services, Inc. proposing to provide the infrared survey in the amount of \$67,750 (the "Proposal"); and

**WHEREAS**, MountainTrue and the City have agreed to split the cost of the survey as described in the Proposal;

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Hendersonville, North Carolina that the City Manager is authorized to enter into a contract with Stockton Infrared Thermographic Services, Inc. and MountainTrue in the amount of \$33,875 to perform services outlined in the Proposal. Further the City Manager, City Attorney, City Clerk, and City staff are authorized to take such actions as are necessary to carry out the City's obligations under the terms of the contract as signed by the City Manager.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 3<sup>rd</sup> day of December 2020.

/s/Barbara G. Volk, Mayor

Attest: /s/Angela L. Reece, City Clerk

Approved as to form: /s/Angela S. Becker, City Attorney

**C. City Employee Compensation - Presenter: John F. Connet, City Manager**

City Manager John Connet recalled freezing positions in response to the COVID-19 pandemic, the City budgeted for regular employee raises and froze those raises until December 2020. Manager Connet stated to-date the City's revenues have performed well and have significantly exceeded budgeted amounts. Manager Connet stated the City sales tax revenues have come in for April through August, FY20 Q4 finishing up 6% over the prior year and said the City is up 9% (\$57,227) start FY21. Manager Connet stated due to a strong financial position, and continued service excellence and diligence from staff, he recommends that salaries be unfrozen, and all permanent staff receive a one-time bonus of \$1,000. He stated this budget impact is estimated to be between \$325k and \$350k. Manager Connet stated the staff continue to be a high priority of City Council, evidenced by pay, insurance, coverage, and other fringe benefits and said he believes that for their hard work through these uncertain and trying times, a one-time bonus and reinstating pay raises is a prudent and financially sound decision. Mayor Volk and City Council thanked employees for their hard work over the past year.

***Council Member Lyndsey Simpson moved that City Council authorize the City Manager to reinstate pay raises, to amend Section 7, of the City Personnel Policy to add authority for one-time bonuses, and to award a one-time bonus to all permanent City employees in the amount of \$1,000.00 based upon a finding that the one-time bonus will promote the hiring and retention of capable, diligent, and honest career employees. A unanimous vote of the Council followed. Motion carried.***

**D. Center for the Arts & Entertainment Funding Request- Presenter: John F. Connet, City Manager**

City Manager John Connet stated the City has received a funding request from The Center for Arts and Entertainment for \$15,000 to assist with making their downtown theater safe for events. Manager Connet stated in return, The Center has offered to list the City as a Partnership Patron with special benefits for the 2020-2021 Season. Mayor Barbara G. Volk recalled previous support by City Council of this type of venue downtown and said this is a difficult time for all the businesses downtown. Mayor Volk stated the Community Foundation awarded The Center a grant of \$15,000 toward the project. Jeanie Linders of the Center for the Arts & Entertainment stated the funding request is specifically to make the facility safe and said opening the facility would bring in much needed business to the downtown corridor. Council Member Lyndsey Simpson stated she supports arts and entertainment funding for the benefit of all citizens.

***Council Member Lyndsey Simpson moved that City Council authorize the City Manager to execute a special appropriations contract with The Center for Arts and Entertainment for the appropriation of \$15,000 to fund safety improvements at their downtown theater. The motion carried by a vote of 3-2 with Council Members Jeff Miller and Jennifer Hensley voting against.***

**~~E. REMOVED - Hands On Children's Museum Request for Assistance~~ - Presenter: Joseph Knight, Executive Director****10. Appointments to Boards Commissions Committees**

City Manager John Connet provided the Council with Boards and Commissions Applicants. City Council conceded to consider appointments at their January meeting.

**11. City Council Comments**

Council Member Lyndsey Simpson recalled Council Member Jeff Miller's proposal of delaying the sale of the Dogwood Lot stating she also wishes to preserve the integrity of the downtown corridor and asked that these items be placed in the January workshop meeting for further discussion.

**12. City Manager Report - Presenter: John F. Connet, City Manager**

City Manager John Connet reminded everyone that the Police Department is working with Mothers Against Drunk Driving (MADD) to host an evening of remembrance to honor those who have been lost due to impaired driving on Saturday beginning at 4:30 p.m. at the Historic Courthouse. Manager

Connet also reminded everyone that the Walk of Fame Steering Committee is accepting applications through January 15<sup>th</sup> for Walk of Fame nominees. Manager Connet encouraged everyone to attend the Holiday Market at Depot.

**A. FY20 Financial Update – Presenter: John Buchanan, Finance Director**

Finance Director, John Buchanan presented an update on Fiscal Year 2019- 2020 to City Council stating the final report will be delivered to City Council in February. Director Buchanan stated overall revenues exceeded expenditures by more than \$1.1M and said the total Fund Balance is approximately \$8.5M, an increase from \$7.4M in 2019. Director Buchanan stated Fund Balance available for appropriation is \$5.9M, which is 36.75% of 2020 actual expenditures. Mr. Buchanan stated ad valorem tax revenues were \$1.8M, an increase of 11.7% from 2019 and said this was due to a County revaluation and 99% tax collection rate. Director Buchanan clarified any funds received through the CARES Act will go toward emergency responder salaries when distributed by the County. Director Buchanan discussed General Fund Expenditures stating expenditures were \$16.4M for 2020, an 8% increase over 2019. Director Buchanan discussed MSD Funds for Main Street and Seventh Avenue stating the total Fund Balance is approximately \$77,000 for Main Street and \$107,000 for Seventh Avenue. Director Buchanan discussed the Water Sewer Fund stating expenditures exceeded revenues by \$0.97M and said the total Fund Balance is approximately \$7.8M. The total Fund Balance was \$8.8M in 2019. He stated the total Fund Balance available for appropriation is 24% of 2020 actual expenditures. Director Buchanan discussed Stormwater Fund stating revenues exceeded expenditures by \$75,800 and said the total Fund Balance is approximately \$146,000. Director Buchanan discussed Environmental Services Fund stating expenditures exceeded revenues by \$52,000 and said the total Fund Balance is approximately \$242,000. Director Buchanan stated this fund continues to be sustained through the use of its Fund Balance. Director Buchanan stated this update does not include the Capital Projects Funds. There were no questions from Council. Manager Connet stated staff continues to monitor Fund Balance and debt coverage ratios in the funds.

**13. Closed Session**

The Board did not enter into closed session.

**14. Adjourn**

There being no further discussion, the meeting was adjourned at 8:53 p.m. upon unanimous assent of the Council.

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Barbara G. Volk, Mayor

ATTEST:

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Angela L. Reece, City Clerk