

AGENDA

CITY OF HENDERSONVILLE CITY COUNCIL – REGULAR MEETING

JUNE 7, 2018 – 5:45 P.M.

COUNCIL CHAMBERS – CITY HALL

1. **Call to Order**
2. **Invocation and Pledge of Allegiance**
3. **Public Comment Time:** *Up to 15 minutes is reserved for comments from the public for items not listed on the agenda*
4. **Consideration of Agenda**
5. **Consideration of Consent Agenda:** *These items are considered routine, noncontroversial in nature and are considered and approved by a single motion and vote.*
 - A. **Consideration of Minutes:**
 - i. **May 3, 2018 Regular Meeting**
 - ii. **May 4, 2018 Special Meeting**
 - iii. **May 22, 2018 Special Meeting**
 - B. **Consideration of Budget Amendments**
 - C. **Consideration of Special Event Permit for Mad Mountain Mud Run**
 - D. **Consideration of Resolution Accepting the Dedication of Certain Real Property Interests**
 - E. **Consideration of a Water Usage Agreement with the City of Saluda**
 - F. **Consideration of a Certificate of Sufficiency for Annexation of a Parcel Located off Old Spartanburg Highway, Stephen Parker Petitioner**
 - G. **Consideration of a Resolution Authorizing the City Manager to Exchange Certain Real Properties in Henderson County with the Housing Assistance Corporation**
 - H. **Consideration of Motor Vehicle Driving Record Policy**
 - I. **Consideration of Resolutions Authorizing the Donation of Surplus Property Due to Retirement of Canines**
 - i. **Canine Maky – transfer ownership to Detective Robert Cantwell**

ii. Canine Bak – transfer ownership to Officer Pete Laite

J. Consideration of a Utility Relocation Agreement with NCDOT for Project U-5105 Erkwood/Shepherd Street Roundabout

K. Consideration of Capital Project Ordinance and Reimbursement Resolution for the Seventh Avenue Streetscape, Phase I Project (FY18-19 budget)

L. Consideration of Capital Project Ordinance and Reimbursement Resolution for the Main Street Public Restrooms Project (FY18-19 Budget)

M. Consideration of a Resolution to Adopt the Debt Service Coverage Policy

6. Recognition of Public Works Staff for Maple Street Project

Presenter: City Manager John Connet

7. Public Hearing – Consideration of an Ordinance Making Appropriations for Certain Expenses, Capital Improvements and Indebtedness of the City of Hendersonville for the Year Beginning July 1, 2018 and Ending June 30, 2019

Presenter: City Manager John Connet

8. Consideration of a Resolution Directing the Publication of Notice of Intention to Apply to the Local Government Commission for Approval of Bonds

Presenters: Assistant City Manager Brian Pahle and Budget & Management Analyst Adam Murr

9. Presentation on GIS Story Map

Presenter: Geographic Information Systems Administrator Travis Penland

10. Presentation on Grey Hosiery Mill Building

Presenter: City Manager John Connet

11. Comments from Mayor and City Council Members

12. Reports from Staff

A. Surplus Property Disposition Report

13. Consideration of Appointments to Boards/Commissions

14. New Business

15. Adjourn



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Adam Murr

Department: Admin

Date Submitted: 05/23/2018

Presenter: Adam Murr

Date of Council Meeting to consider this item: 06/07/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05b

Budget Amendment(s): 8

1) General Fund End of Year	Fund 10	No Change	\$55,035
2) Buncombe St. Stormwater	Fund 467	Increase	\$7,816
3) Main St. MSD & Hands On	Fund 20	Increase	\$13,073
4) W&S Fund End of Year	Fund 60	No Change	\$11,902
5) Walk of Fame Banquet	Fund 821	Increase	\$2,898
6) Motor Unit Supplies	Fund 110	Increase	\$3,205
7) Main St. Restroom	Fund 20	Increase	\$100,000
8) Crime Commission Grant	Fund 325	Increase	\$3,707

Budget Impact: \$ N/A Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Described Above.

Suggested Motion:

I move to approve the budget amendments as presented.

Attachments:

See below.

BUDGET AMENDMENT

FUND: 10 | 467

ACCOUNT NUMBER		DESCRIPTION OF ACCOUNT	INCREASE	DECREASE
ORG	OBJECT			
104110	549900	MISC BD EXPENSE	1,500.00	
104120	525100	GASOLINE & DIESEL		500.00
104120	549960	TUITION REIMBURSEMENT PROGRAM	500.00	
104130	512100	SALARIES & WAGES-REG		10,000.00
104130	549920	EMPLOYEE EVENTS	30.00	
104130	549999	MISCELANEOUS EXPENSE	100.00	
104150	532100	TELEPHONE	500.00	
104150	549999	MISCELANEOUS EXPENSE	10.00	
104250	512200	SALARIES & WAGES-O/T	7,500.00	
104270	535200	R & M - EQUIPMENT	200.00	
104310	513500	SALARIES & WAGES-UNIFORM/TAXAB	650.00	
104310	518900	RETIREE INSURANCE		5,000.00
104310	554000	CAP OUTLAY-MOTOR VEHS	283.00	
104370	512200	SALARIES & WAGES - OVERTIME	5.00	
104370	519000	PROFESSIONAL SERVICES		5,000.00
104370	569400	CONT SERV-CONDM BLDGS		2,500.00
104500	512200	SALARIES & WAGES - OVERTIME	500.00	
104500	549999	MISCELANEOUS EXPENSE	100.00	
104510	512200	SALARIES & WAGES-O/T	2,500.00	
104510	512900	SALARIES & WAGES-P/T	10,000.00	
104510	569000	CONTRACTED SERVICES		7,035.00
104520	512200	SALARIES & WAGES-O/T	1,000.00	
104760	512900	SALARIES & WAGES-P/T	21,591.00	
106170	549300	POOL/ MINI GOLF SHORT/OVER	250.00	
109900	999467	TRANSFER TO BUNCOMBE SW	7,816.00	
109910	599100	CONTINGENCIES		25,000.00
FUND 10		TOTAL REVENUES	-	-
		TOTAL EXPENDITURES	55,035.00	55,035.00
4670000	998010	Transfer in From GF	7,816.00	
4670000	559850	Construction Contract	7,816.00	
FUND 467		TOTAL REVENUES	7,816.00	-
		TOTAL EXPENDITURES	7,816.00	-

An amendment to provide an end-of-year adjustment to the General Fund budget. This is done to clean-up any accounts with overages and keep the budget in balance at year end. The total budget does not change however some salary accounts are amended so this requires City Council approval. The salary adjustments do not reflect any changes in the total approved positions. Additionally, this amendment transfers \$7,816 to the Buncombe St. Stormwater project to cover the final cost of construction.


 CITY MANAGER

Date: 5/14/18

APPROVED BY CITY COUNCIL:

DATE: 6/7/2018

BUDGET AMENDMENT

FUND: 20

ACCOUNT NUMBER			INCREASE	DECREASE
ORG	OBJECT	DESCRIPTION OF ACCOUNT		
200010	411400	TAX - INTEREST	2,477.00	
200010	421300	2013 AD VAL TAX - R/P	1,038.00	
200010	421400	2014 AD VAL TAX R/P	2,611.00	
200010	421500	2015 AD VAL TAX R/P		341.00
200010	421600	2016 AD VAL TAX R/P		1,333.00
200010	421700	2017 AD VAL TAX R/P	2,026.00	
200030	432300	S&U TAX REIMBURSEMENT		5,000.00
200080	443800	DISCOUNTS EARNED	550.00	
200080	443900	MISCELLANEOUS INCOME	11,045.00	
204750	559900	C/O LAND IMPROVEMENTS	320.00	
204750	560300	TAX INCENTIVE PROGRAMS		5,000.00
209620	500016	Hands On	25,000.00	
209910	599100	CONTINGENCIES		7,247.00
FUND 20			TOTAL REVENUES	6,674.00
			TOTAL EXPENDITURES	12,247.00

13,073.00
13,073.00

An end-of-year amendment for the Main Street MSD Fund. The total budget will increase by \$13,073. Additionally, funding will be provided to pay for the Hands On contribution, totaling \$25,000.


CITY MANAGER

Date: 5/14/18

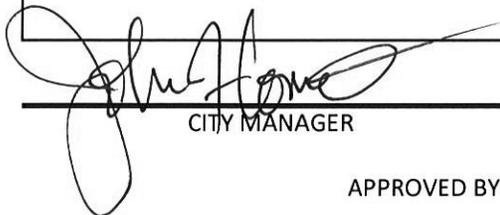
APPROVED BY CITY COUNCIL: _____ DATE: 6/7/2018

BUDGET AMENDMENT

FUND: 60

ACCOUNT NUMBER				
ORG	OBJECT	DESCRIPTION OF ACCOUNT	INCREASE	DECREASE
607123	512900	SALARIES & WAGES - P/T	3,791.00	
607123	535200	R & M - EQUIPMENT		3,791.00
607124	512200	SALARIES & WAGES-O/T	2,890.00	
607124	533000	UTILITIES		2,890.00
607125	518900	RETIREE INSURANCE	922.00	
607125	532100	TELEPHONE		922.00
607126	512200	SALARIES & WAGES-O/T	966.00	
607126	529900	SUPPLIES & MATERIALS		966.00
607127	512200	SALARIES & WAGES-O/T	2,955.00	
607127	535250	R&M-LINES		2,955.00
607134	512200	SALARIES & WAGES-O/T	378.00	
607134	533000	UTILITIES		378.00
FUND 60		TOTAL REVENUES	-	-
		TOTAL EXPENDITURES	11,902.00	11,902.00

An amendment to adjust for out-of-budget personnel accounts in the Water and Sewer Fund. Staff proposes the use of operational funds to cover overages from part-time pay, over-time pay, and retiree insurance.



 CITY MANAGER

Date: 5/15/18

APPROVED BY CITY COUNCIL:

DATE:

6/7/2018

BUDGET AMENDMENT

FUND: 821 Walk of Fame

ACCOUNT NUMBER			INCREASE	DECREASE
ORG	OBJECT	DESCRIPTION OF ACCOUNT		
8218021	443220	TICKET SALES	2,898.00	
8218021	529900	SUPPLIES	2,598.00	
8218021	549999	MISCELLANEOUS	300.00	
FUND 821		TOTAL REVENUES	2,898.00	-
		TOTAL EXPENDITURES	2,898.00	-

Amendment for ticket sales and expenses of the Walk of Fame induction banquet.



 CITY MANAGER

Date: 5-22-18

APPROVED BY CITY COUNCIL: _____ DATE: 06/07/2018

BUDGET AMENDMENT

FUND: 110

ACCOUNT NUMBER		DESCRIPTION OF ACCOUNT	INCREASE	DECREASE
ORG	OBJECT			
1100000	443200	Special Activities Revenue	1,305.00	
1100000	499200	Fund Balance Appropriated	1,900.00	
1100000	529900	Supplies & Materials	3,205.00	
FUND 110		TOTAL REVENUES	3,205.00	-
		TOTAL EXPENDITURES	3,205.00	-

An amendment to provide an increase in the Motor Unit Fund budget of \$3,205 to purchase general supplies and materials for the HPD Motor Unit.



 CITY MANAGER

Date: 5-22-18

APPROVED BY CITY COUNCIL: _____ DATE: 6/7/2018



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Susan Frady

Department: Development Asst Dept

Date Submitted: 5-17-18

Presenter: Susan G. Frady, Development Asst Director

Date of Council Meeting to consider this item: 6-07-18

Nature of Item: Council Action

Summary of Information/Request:

Item # 05c

Mad Mountain Mud Run and Family Mud Fun: On May 17, 2018, the Special Events Committee met and reviewed an application from Hands On for the Mad Mountain Mud Run and Family Mud Fun to be held Friday, June 22, 2018 from 6:00 P.M. – 8:00 P.M. and Saturday June 23, 2018, from noon – 7 P.M.

The event will be held at Berkeley Mills Park and quarry. The family mud fun will be held on Friday night and will include dinner and music with family mud games. The mud run will be held on Saturday and will include a festival as well as the mud run.

The application includes approval of the designated area for the consumption of alcohol. The area will be the same as last year. The area encompasses about 40,000 square feet to the west of the baseball field, including the picnic shelter, rest rooms and stage. Approval of the area authorizes the sponsors to serve alcohol at Berkeley Park in the specified area in conjunction with the special event permit. The City Police Department reported that there were no problems with the alcohol consumption at this event last year. The event pays for three off-duty police officers.

The Special Events Committee voted unanimously to recommend approval of a special event permit for Mad Mountain Mud Run and Family Mud Run.

Budget Impact: \$ 0 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move Council's approval of the special event permit for the Mad Mountain Mud Run and Family Mud Fun including the sale of alcohol within the designated area.

Attachments:



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Sam Fritschner

Department: Legal

Date Submitted: 30 May 2018

Presenter: Sam Fritschner

Date of Council Meeting to consider this item: 7 June 2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05d

Attached are the resolution and deeds for this month's dedications proposed for acceptance by the City Council.

Budget Impact: \$ 0 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move the City Council to adopt the resolution accepting dedications of property interests to the City.

Attachments:

Proposed resolution and copies of respective recorded documents

RESOLUTION # _____

A RESOLUTION ACCEPTING THE DEDICATION OF CERTAIN REAL PROPERTY INTERESTS TO THE CITY OF HENDERSONVILLE

WHEREAS the City Council is advised that in order for a dedication to the City of an interest in real property, to be completed, requires not only the initial dedication but also the acceptance in some form by the City of the dedication; and

WHEREAS the City Council has determined that it is desirable for the City to accept dedications formally and in a manner that can easily be discovered; and

WHEREAS the City Council believes that the most formal and easily discovered method of accepting real property dedications is by City Council resolution, where the property interest has not been accepted by a document executed by an authorized City representative; and

WHEREAS the City Council is informed that the real property interests listed below have been dedicated to the City but not yet accepted in writing;

NOW, THEREFORE, BE IT THEREFORE RESOLVED that the City Council does hereby accept the dedication of the following identified real property interests effective as of the moment of adoption of this resolution:

Dedicated by	Date of recording	Property interest and short description
Laurel Spring, LLC	24 April 2018	PIN 9568-16-9803 Water system and easement
Elkamet, Inc.	5 March 2018	PIN 9577-77-4251 Water line easement
Demmel Real Estate, LP	12 April 2018	PIN 9577-76-2382 Water system and easement

Adopted this 7th day of June 2018.

Barbara Volk
Mayor, City of Hendersonville

ATTEST:



This document presented and filed:
04/24/2018 01:37:09 PM

WILLIAM LEE KING, Henderson COUNTY, NC
Transfer Tax: \$0.00

City Box

Prepared by & Return to: Samuel H. Fritschner

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

NORTH CAROLINA DEED OF EASEMENT AND WATER SYSTEM DEED

This Deed made this 24 day of APRIL, 2018, by and between Laurel Spring, LLC, GRANTOR, and THE CITY OF HENDERSONVILLE, a North Carolina Municipal Corporation, 145 Fifth Avenue East, of the County of HENDERSON, State of NORTH CAROLINA, Grantee.

WITNESSETH:

That for and in consideration of the sum of ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor has bargained, sold and conveyed, and by these presents does bargain, sell and convey unto the Grantee, its successors and assigns in the following described interest in real property situated in Henderson County, State of North Carolina:

A nonexclusive permanent easement for purposes of constructing, operating, maintaining, repairing, inspecting and reconstructing water lines, together with such pipes, stations, pumps, fittings, fixtures and other accessories as from time to time may be required, and for purposes of inspecting and performing appropriate tests within said permanent easement, including but not limited to, archaeological and environmental studies, and together with the full right of access to and egress from said permanent easement as shown on that plat recorded at Plat Slide 11188, of the Henderson County Registry. In addition the Grantor conveys unto the Grantee absolutely all of the existing water system situated in or on all of the said area, including all water pipes, stations, hydrants, pumps, fittings, fixtures and other accessories.

There is further conveyed any easements and rights-of-way necessary as required for purposes of laying additional lines, pipes and conduits, and as a means of ingress and egress to repair and maintain the entire water system.

TO HAVE AND TO HOLD THE SAME, Together with all hereditaments and appurtenances thereunto in any wise appearing, unto the said part of the second part heirs and assigns forever.

And the said Grantor does covenant the said Grantee, its successor and assigns, as follows: FIRST, That the said Grantor is the owner and lawfully seized of said land and premises. SECOND, That it has good right and full power to convey the same. THIRD, That the same are free from all encumbrances whatsoever, And, FOURTH, That the said Grantee and its successors and assigns shall quietly enjoy and possess the same, and that the said Grantor, the successors and assigns, will forever warrant and defend the title to the same against all lawful claims.

IN TESTIMONY WHEREOF, said Grantor has caused these presents to be signed in its name personally or by a person authorized to do so.

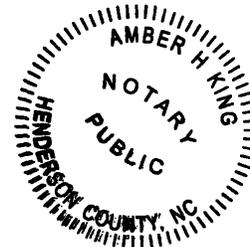
LAUREL SPRING, LLC (SEAL)
Laurel Spring, LLC

By: Jamin C. Kilpatrick (SEAL)
Manager JAMIN C. KILPATRICK

State of North Carolina
County of Henderson

I, Amber H. King, a Notary Public of County and State aforesaid, certify that Jamin C. Kilpatrick, a manager of Laurel Spring LLC, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 24th day of April, 2018.

My commission expires: 05-10-2021
Amber H. King
Notary Public





This document presented and filed:
03/05/2018 12:53:57 PM

WB

WILLIAM LEE KING, Henderson COUNTY, NC
Transfer Tax: \$0.00

Excise tax: \$0.00

This instrument was prepared by Samuel H. Fritschner

Return to: City of Hendersonville Box

9577-76-0610

EASEMENT GRANT

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

KNOW ALL MEN BY THESE PRESENTS, that Elkamet, Inc., hereinafter called the "Grantor," a North Carolina Corporation has, for and in consideration of the sum of \$10.00 and other good and valuable consideration, has given, granted, sold and conveyed by these presents does give, grant, sell and convey unto the City of Hendersonville, a North Carolina Municipal Corporation, herein the Grantee, its successors and assigns an easement over and upon the lands fully described hereinafter, and attached to that real property described in those deeds recorded in Book 3090 at page 434 , Henderson County Registry, for the purpose of constructing, maintaining and keeping in repair and operation water, pipe lines and conduits and all necessary appurtenances thereto in anywise appertaining with the right and privilege of ingress, egress and regress for the purpose of maintaining or enlarging said pipe lines and conduits and for making such excavations, cuts and fills as may be requisite and necessary to the maintaining of said pipe lines and conduits and such additions thereto as may from time to time become necessary.

BEING an easement for the installation, maintenance, extension and withdrawal of a public water utility line as shown on the recorded survey at Slide 11074 in the Henderson County Registry, for a more accurate description.

AND there is also granted herewith a temporary construction easement as shown on said attached survey, to last from the beginning of construction until project completion for the purpose of laying and constructing a water line.

AND the Grantee is further granted the right to use the said easement for operation and maintenance of the said water line. Upon completion of any work hereunder the Grantee shall restore the premises first above described to a condition as near the pre-construction condition as practicable, including the original topography, and shall repair all existing driveways and walkways damaged by the Grantee or its agents to their pre-construction condition. The Grantee shall interfere as little as reasonably possible with any plantings or improvements on said property of the Grantor, and shall further replant or replace, at the Grantee's option, any naturally-occurring or ornamental flora damaged during construction, as determined by the Grantee's Utilities Director or other authorized representative of the Grantee to be non-intrusive to the pipe line(s) and conduits being installed; provided further, the Grantor shall not erect any structures upon the easement or construct a street across said easement without the prior express written consent of the Grantee.

The Grantor covenants to and with the Grantee that the Grantor has is seized of the aforementioned real property in fee simple and has the right to grant said easement; that the Grantee shall have quiet and peaceful use and possession of said easement free from interference by all person whomsoever.

To have and to hold the described easements to the full extent set forth herein. And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in accordance with the terms hereof, that title is free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

ELKAMET, INC
by:

printed name: CARSTEN ERKEL

Title: VICE PRESIDENT

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, Terry Lee Love, a Notary public for the above state and county certify that came before me this day 2/22/18 and acknowledged that he/she is the Vice President of Elkamet, Inc., and that he/she, as Carsten Eckel, being authorized to do so, executed the foregoing on behalf of the corporation.

My commission expires:

Terry Lee Love
Notary Public

Terry Lee Love
Notary Public
Buncombe County, NC
My Commission Expires July 28, 2019

SEAL

Book 3170
Page 126



This document presented and filed:
04/12/2018 10:53:37 AM

WLK

WILLIAM LEE KING, Henderson COUNTY, NC
Transfer Tax: \$0.00

Excise Tax: \$0.00

This document was prepared by: Samuel H. Fritschner

→ Return to: City Box

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

**NORTH CAROLINA DEED OF EASEMENT AND WATER SYSTEM
DEED**

This Deed made this 12th day of April, 2018 by Demmel Real Estate LP, a North Carolina limited partnership, GRANTOR, and THE CITY OF HENDERSONVILLE, a North Carolina Municipality, 145 Fifth Avenue East, Hendersonville, of the County of HENDERSON, State of North Carolina, Grantee.

WITNESSETH:

That for and in consideration of the sum of ten dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor has bargained, sold and conveyed, and by these presents does bargain, sell and convey unto the Grantee, its successors and assigns in the following described interest in real property situated in the County of Henderson, State of North Carolina:

A nonexclusive permanent easement for purposes of constructing, operating, maintaining, repairing, inspecting and reconstructing water lines, together with such pipes, stations, pumps, fittings, fixtures and other accessories as from time to time may be required, and for purposes of inspecting and performing appropriate tests within said permanent easement, including but not limited to, archaeological and environmental studies, and together with the full right of access to and egress from said permanent easement as shown on that plat recorded at Plat Slide 11156, of the Henderson County Registry. In addition the Grantor conveys unto the Grantee absolutely all of the existing water system situated in or on all of the said area, including all water pipes, stations, hydrants, pumps, fittings, fixtures and other accessories.

There is further conveyed any easements and rights-of-way necessary as required for purposes of laying additional lines, pipes and conduits, and as a means of ingress and egress to repair and maintain the entire water system.

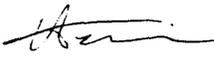
TO HAVE AND TO HOLD THE SAME, Together with all hereditaments and appurtenances thereunto in any wise appearing, unto the said part of the second part heirs and assigns forever.

And the said Grantor does covenant the said Grantee, its successor and assigns, as follows: FIRST, That the said Grantor is the owner and lawfully seized of said land and premises. SECOND, That it has good right and full power to convey the same. THIRD, That the same are free from all encumbrances whatsoever, And, FOURTH, That the said Grantee and its successors and assigns shall quietly enjoy and possess the same, and that the said Grantor, the successors and assigns, will forever warrant and defend the title to the same against all lawful claims.

IN TESTIMONY WHEREOF, said Grantor has caused these presents to be signed in its name personally or by a person authorized to do so.

DEMME REAL ESTATE, LP
A North Carolina limited partnership

DEMME MANAGEMENT, LLC
General Partner for Demme Real Estate LP

By: 
Tobias Holderried, a manager

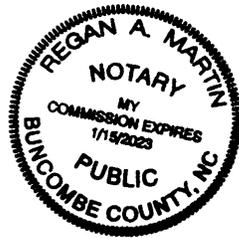
State of North Carolina
County of Buncombe

I, Regan A. Martin, Notary Public in and for the State and county aforesaid, certify Cornel Broenner, personally appeared before me this day and certified to me under oath or by affirmation that he is not a grantee or beneficiary of the transaction, that Cornel Broenner recognizes the signature of Tobias Holderried, a manager for Demme Management, LLC, General Partner of Demme Real Estate LP, a North Carolina Limited Partnership, and that the signature is genuine.

Witness my hand and official seal, this the 12th day of April, 2018.

Notary Public 
My Commission expires: 1/15/2023

SEAL





CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 5/23/2018

Presenter: John Connet

Date of Council Meeting to consider this item: 06/07/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05e

Our current water purchase agreement with the City of Saluda has expired and staff would request approval of an updated agreement. The agreement has been reviewed by City staff and approved by the City of Saluda.

Budget Impact: \$ NA Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move that the City Council approve the revised Water Purchase Agreement with the City of Saluda.

Attachments:

Proposed Water Purchase Agreement

WATER USAGE AGREEMENT

STATE OF NORTH CAROLINA COUNTY OF HENDERSON

THIS AGREEMENT, Made and entered into this 1st day of July, 2018, by and between the **CITY OF HENDERSONVILLE**, a municipal corporation and a political subdivision of the State of North Carolina, party of the first part, hereinafter referred to as “Seller”, and the **CITY OF SALUDA**, a municipal corporation and a political subdivision of the State of North Carolina, party of the second part, hereinafter referred to as “Purchaser”.

WITNESSTH:

WHEREAS, Purchaser, as a municipal corporation, has as one of it’s specified purposes the construction, operation and maintenance of a water supply distribution system serving water users within the area described in plans now on file in the office of the Purchaser; and

WHEREAS, to accomplish this municipal purpose it is necessary, and the Purchaser will require, a supply of treated water; and

WHEREAS, Seller, incidental to it’s municipal existence and as one of the services extended to persons within and without it’s corporate limits, owns and operates a water supply distribution system with a capacity currently capable of serving the present customers of Seller’s system, as well as the estimated number of water users to be served by Purchaser; and

WHEREAS, the parties to this instrument have previously entered into a series of contracts, the purpose of which was to furnish to the Purchaser, from the production capacity of the Seller, sufficient potable water to meet the demands and requirements of its various users; and

WHEREAS, such contracts have been satisfactorily and appropriately performed, in their entirety, by both of the parties to this agreement; and

WHEREAS, such satisfaction has been mutually agreed upon by the parties of this agreement and, as a result thereof, the parties desire to continue the contractual relationship established by the agreement and in conformance with the terms hereof; and

WHEREAS, by resolution of the City Council of the City of Hendersonville, adopted on the 7 day of June, 2018, the sale of water to Purchaser in accordance with the provisions of the said resolution (which said resolution provisions are reflected in the terms and conditions of this agreement) was approved and the execution of this contract carrying was duly authorized; and

WHEREAS, by resolution of City Council of City of Saluda, as adopted on the 11th day of June, 2018, the purchase of water from Seller in accordance with the terms set forth in said resolution (which said conditions are in conformance with the terms of this agreement) was approved and the execution of this contract was duly authorized.

NOW, THEREFORE, in consideration of the foregoing and the covenants hereinafter set forth, the parties agree as follows:

A. Seller Agrees:

1. To furnish to Purchaser at the point of delivery hereinafter specified, during the term of this contract or during any renewal or extension thereof, potable, treated water meeting applicable purity standards of the North Carolina Department of Environmental Quality, or similar State agency, in such quantity as may be needed by Purchaser not to exceed six million (6,000,000) gallons per month.
2. That water will be furnished at a reasonably constant pressure calculated at 80 PSI from the existing 12-inch main supply at the point located near the city limits of Saluda at or near U.S. Highway 176. If a greater pressure than normally available at the point of delivery is required by Purchaser, the cost of providing such greater pressure shall be borne by Purchaser. Emergency failures of pressure or supply due to main line breaks, power failure, flood, fire and the use of water to fight fire, earthquake or other catastrophe shall excuse Seller from this provision for such reasonable period of time as may be necessary to restore services.
3. To operate and maintain at the point of delivery the necessary metering equipment, including a meter inside of the Purchaser's pumping station or inside of a vault, for properly measuring the quantity of water delivered to the Purchaser. The installation and maintenance of such equipment shall be Seller's expense. Seller shall calibrate such metering equipment when requested by Purchaser, but not more frequently than once every twelve (12) months. A meter registering not more than (2%) above or below the test results shall be deemed to be adequate. The previous readings of any meter disclosed by test to be inaccurate shall be corrected for the two (2) months prior to such test in accordance with the percentage of inaccuracy found by such test. If any meter fails to register for any period, the amount of water delivered in the corresponding period immediately prior to the failure, during the same billing cycle, shall be averaged on a daily use basis and this average will be used to calculate the usage during the period when the meter failed to register, unless Seller and Purchaser shall agree upon a different amount. The meter shall be read once each calendar month, at a minimum. Purchaser shall have reasonable access to the meter for the purpose of verifying its readings.
4. To provide Purchaser with an itemized statement of the amount of water furnished the Purchaser during any given month. Such statement shall be provided to the

Purchaser not later than ten calendar days after meters are read as per paragraph 3 above.

B. The Purchaser Agrees:

1. To pay Seller, not later than the twenty-one (21) days after the date of the statement for each month, for water delivered in accordance with the current schedule of rates for municipal water sales, as such rates or schedules shall be constituted as of the date of the execution of this agreement, or as the same shall be hereinafter amended.
2. To operate and maintain Purchaser's water distribution system, including all booster pumping station and storage tanks, in an efficient manner and to suitably curtail, control, eliminate and otherwise inhibit or allow the waste of water.

C. It Is Further Mutually Agreed Between the Seller and Purchaser as Follows:

1. That this contract shall extend for a term of ten (10) years from the date of execution of the same, and thereafter may be renewed or extended for such term or terms as may be agreed upon by Seller and Purchaser.
2. That Seller will, at all times, operate, maintain its system in an efficient manner and will take such actions as may be necessary to furnish Purchaser with quantities of water required by Purchaser. Temporary or partial failures to deliver water shall be remedied with all possible dispatch. In the event of an extended shortage of water, or in the supply of water available to Seller is otherwise diminished over an extended period of time, the supply of water to Purchaser's consumers shall be diminished or reduced in the same ratio or proportion as its supply to Seller's consumers is reduced or diminished. If Seller implements its water shortage response ordinance (as the same is presently constituted, or may hereafter be amended or changed) conditions concerning conservation of water, Purchaser shall implement water use restrictions of at least the same degree of severity, restriction and compliance for the duration of the Seller's water shortage condition.
3. The provisions of this contract may be modified or altered by mutual agreement of the parties hereto, but the same shall be of no force and effect until they shall have been reduced to writing in form complimentary to the contents of this agreement.
4. That this contract is subject to such rules, regulation or laws as may be applicable to similar agreements in the State of North Carolina, and Seller and Purchaser will collaborate in obtaining such permits, certificates or the like as may be required to comply herewith.

IN WITNESS WHEREOF, The parties hereto, acting under authority of their respective governing bodies, have caused this contract to be duly executed in four counterparts, each of which shall constitute an original.

ACCEPTED BY THE CITY OF HENDERSONVILLE

By: _____
Barbara Volk, Mayor

(SEAL)

Attest: _____
Tammie Drake, City Clerk

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

I, a Notary Public in and for the State and County aforesaid, do hereby certify that **Barbara Volk**, personally appeared before me, and being duly sworn, says that she is Mayor of the City of Hendersonville, and further that **Tammie K. Drake** personally appeared before me, and being duly sworn, says that she is City Clerk for the City of Hendersonville, the corporation described in and which executed the foregoing instrument; that she know the common seal of said City of Hendersonville; that the seal affixed to the foregoing instrument is said common seal, and that the name of the City of Hendersonville was subscribed thereto by said Mayor, and that the said Mayor and City Clerk subscribed their names thereto, and said common seal was affixed, all by order of the City Council of said City of Hendersonville, and that the said instrument is the act and deed of the said City of Hendersonville.

WITNESS, my and notarial seal, this ____ day of _____, 2018. My commission expires _____.

Notary Public

(SEAL)

ACCEPTED BY THE CITY OF SALUDA

By: _____
Fred Baisden, Mayor

(SEAL)

Attest: _____
Tola Ellis, City Clerk

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

I, a Notary Public in and for the State and County aforesaid, do hereby certify that **Fred Baisden**, personally appeared before me, and being duly sworn, says that he is Mayor of the City of Saluda, and further that **Tola Ellis** appeared before me, and being duly sworn, says that she is City Clerk for the City of Saluda, the corporation described in and which executed the foregoing instrument; that she know the common seal of said City of Saluda; that the seal affixed to the foregoing instrument is said common seal, and that the name of the City of Saluda was subscribed thereto by said Mayor, and that the said Mayor and City Clerk subscribed their names thereto, and said common seal was affixed, all by order of the City Council of said City of Saluda, and that the said instrument is the act and deed of the said City of Saluda.

WITNESS, my and notarial seal, this ____ day of _____, 2018. My commission expires _____.

Notary Public

(SEAL)



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Susan G. Frady

Department: Development Asst Dept

Date Submitted: 5-7-18

Presenter: Susan G. Frady

Date of Council Meeting to consider this item: 6-7-18

Nature of Item: Council Action

Summary of Information/Request:

Item # 05f

The City of Hendersonville has received a petition from Stephen Parker for contiguous annexation of parcel 9578-42-9221 containing 0.362 acres located on Old Spartanburg Highway. This is the second lot in this subdivision. This annexation application is related to a sewer request. Please refer to the attached maps for additional information.

Attached is the Clerk's Certificate of Sufficiency finding that the petition is valid. The next Step in the annexation process is to accept the Clerk's Certificate and set a date for a public hearing on the question of adoption of an ordinance of annexation.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move Council to accept the City Clerk's Certificate of Sufficiency for the Stephen Parker petition and set July 5, 2018, as the date for the public hearing.

Attachments:

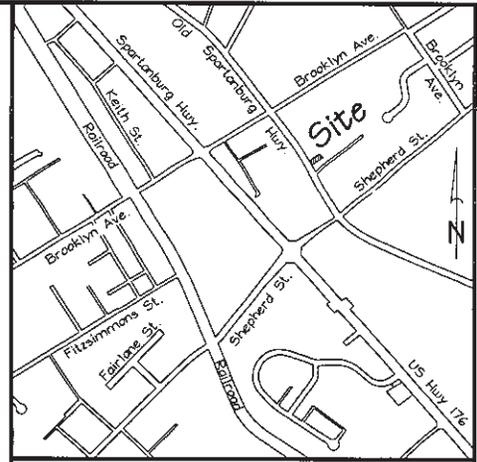
Survey
Legal Description
Clerk's Certificate of Sufficiency



Global Positioning System Certification (RTK)
 Positional Accuracy of the RTK Derived Positional Information was 0.02' Horizontal & 0.04' Vertical
 Horizontal Positions Based on NAD83 (NSRS 2011)
 Combined Factor: 0.99977722 (Ground to Grid)
 Equipment Used: Topcon Hiper V & Carlson Survce

NCGS Grid Notes:

1. All distances shown hereon are local surface horizontal, unless noted otherwise.
2. All bearings denoted as Grid Bearings are based on the NCGS NAD83 (NSRS 2011) Grid System for the information noted hereon.
3. All coordinates denoted on the map are for grid distances and holding field determined Grid Coordinates.**



VICINITY MAP
(NOT TO SCALE)

NOTES:

1. For source of title see Deed Book 3071 at Page 438 (portion thereof) and being all of Lot 2 of Three Oaks Subdivision as shown on Plat Slide 10786.
2. Survey error of closure does not exceed 1:10,000 before adjustment.
3. This parcel of land is located within Flood Zone X as per FIRM Panel No. 3700957800J, effective date October 2, 2008. (No field elevations were taken.)
4. Subject to easements for utilities, either recorded or unrecorded, shown or not shown, as applicable.
5. Parcel is located within the extraterritorial jurisdiction of the City of Hendersonville and is zoned R-15 (Medium Density Residential Zoning District). Please contact the City of Hendersonville's Development Assistance Department for complete zoning requirements.
6. Acreage of parcel shown hereon was determined by Coordinate Computation Method.
7. Subject to the right-of-way for Old Spartanburg Road (S.R. 1722) to its full legal limits, as applicable.
8. The purpose of the map is for consideration for acceptance into the City of Hendersonville boundary via the Annexation Process.

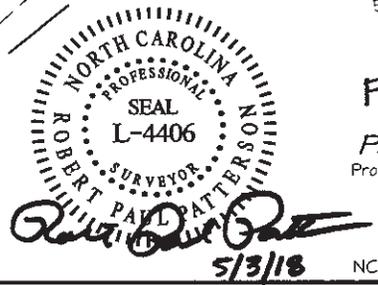
- LEGEND:**
- EIP - EXISTING IRON PIPE
 - ESP - EXISTING STEEL PIN
 - - CALCULATED POINT
 - UP - UTILITY POLE
 - OHU — OVERHEAD UTILITY LINES
 - FH — FIRE HYDRANT
 - SSM — SANITARY SEWER MANHOLE
 - WFL — WIRE FENCE LINE (MEANDERS)
 - TSL — TYPICAL SETBACK LINES
 - CMP — CORRUGATED METAL PIPE (STORM)
 - RCP — REINFORCED CONCRETE PIPE (STORM)
 - R/W — RIGHT-OF-WAY
 - D.B. — DEED BOOK
 - P.S. — PLAT SLIDE
 - P.C. — PLAT CABINET
 - — — UNSURVEYED LINES (TAKEN FROM DEEDS, PLATS, ETC.)

Zoning & Setbacks Table	
Zoning:	Medium Density Residential (R-15)
Min. Lot Width:	85 feet @ Building Line
Front:	30 feet (From Road R/W)
Side:	10 feet
Rear:	15 feet
Max. Bldg. Height:	35 feet
Min. Lot Area:	15,000 square feet
Accessory Structures have a rear and side setback of five (5) feet, and a Front setback of thirty (30) feet.	

ANNEXATION MAP FOR:
Stephen Parker

~ CITY OF HENDERSONVILLE ETJ ~
 HENDERSONVILLE TOWNSHIP HENDERSON CO., N.C.
 SCALE: 1" = 50'
 50 0 50 100
 MAY 2018

SURVEYED BY:
PATTERSON & PATTERSON
 ENGINEERING - SURVEYING - PLANNING
PAUL PATTERSON WILLIAM PATTERSON
 Professional Engineer/Land Surveyor Professional Land Surveyor



P.O. BOX 6114
 HENDERSONVILLE, NC 28793-6114
 TEL. & FAX: (828) 692-6629
 pattpatt555@bellsouth.net
 NC FIRM: F-0734 JOB NO.: 18-04-65-A

DESCRIPTION OF PROPERTY

BEGINNING on an existing ½ inch iron pipe (with NCGS Grid Coordinates of Northing: 582,193.984 and Easting: 974,816.968) located at the westernmost point of Lot 2 as shown on the Minor Subdivision Plat of Three Oaks as recorded at Plat Slide 10786 and on the northern right-of-way of Old Spartanburg Road (S.R. 1722) and thence leaving said right-of-way and running N 55°34'31" E – 192.37 feet to an existing ½ inch iron pipe; Thence S 28°28'41" E – 78.37 feet to an existing ½ iron pipe; Thence S 53°15'30" W – 193.34 feet to an existing ½ iron pipe on the northern right-of-way of Old Spartanburg Road; Thence along said right-of-way, N 28°28'41" W – 86.23 feet to the point of beginning; The above described parcel containing 0.362 acres, more or less.

CERTIFICATE OF SUFFICENCY

**RE: Petition for Contiguous Annexation
Stephen Parker
File No. P18-14-ANX**

To the Honorable Mayor and members of the City Council of Hendersonville, North Carolina:

I, Tammie K. Drake, City Clerk, begin first duly sworn, hereby certify an investigation has been completed of the above referenced petition for the contiguous annexation of parcel 9578-429221 located on Old Spartanburg Highway.

- A. According to the Development Assistance Department, the area described in the petition meets all of the standards set out in G.S. 160A-58.1(b).
1. The petition follows the prescribed form.
 2. The petition was signed by the owners of the subject property.
 3. The subject property adjoins the present city limits line.

Having made the findings stated above, I hereby certify the petition for contiguous annexation presented by Stephen Parker is valid.

In witness whereof, I have here unto set my hand and affixed the seal of the City of Hendersonville, this 7th day of May, 2018.

Tammie K. Drake

Tammie K. Drake, MMC, City Clerk



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 5/23/2018

Presenter: John Connet

Date of Council Meeting to consider this item: 06/07/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05g

City staff has been working with the Housing Assistance Corporation (HAC) to identify property for new sign family homes. We have identified two City owned lots (Property D on page 104 below) which we believe would be great single family home sites. We would propose exchanging these two lots for property adjacent to Oklawaha Village. The exchange would be of property of very similar values. HAC would gain new lots at a lower cost and the City would gain property to protect the natural area around the Oklawaha Greenway. The staff recommends moving forward with the exchange and is asking the City Council to approve the proposed resolution authorizing the exchange. A public notice was published in the May 16, 2018 edition of the Hendersonville Lightning.

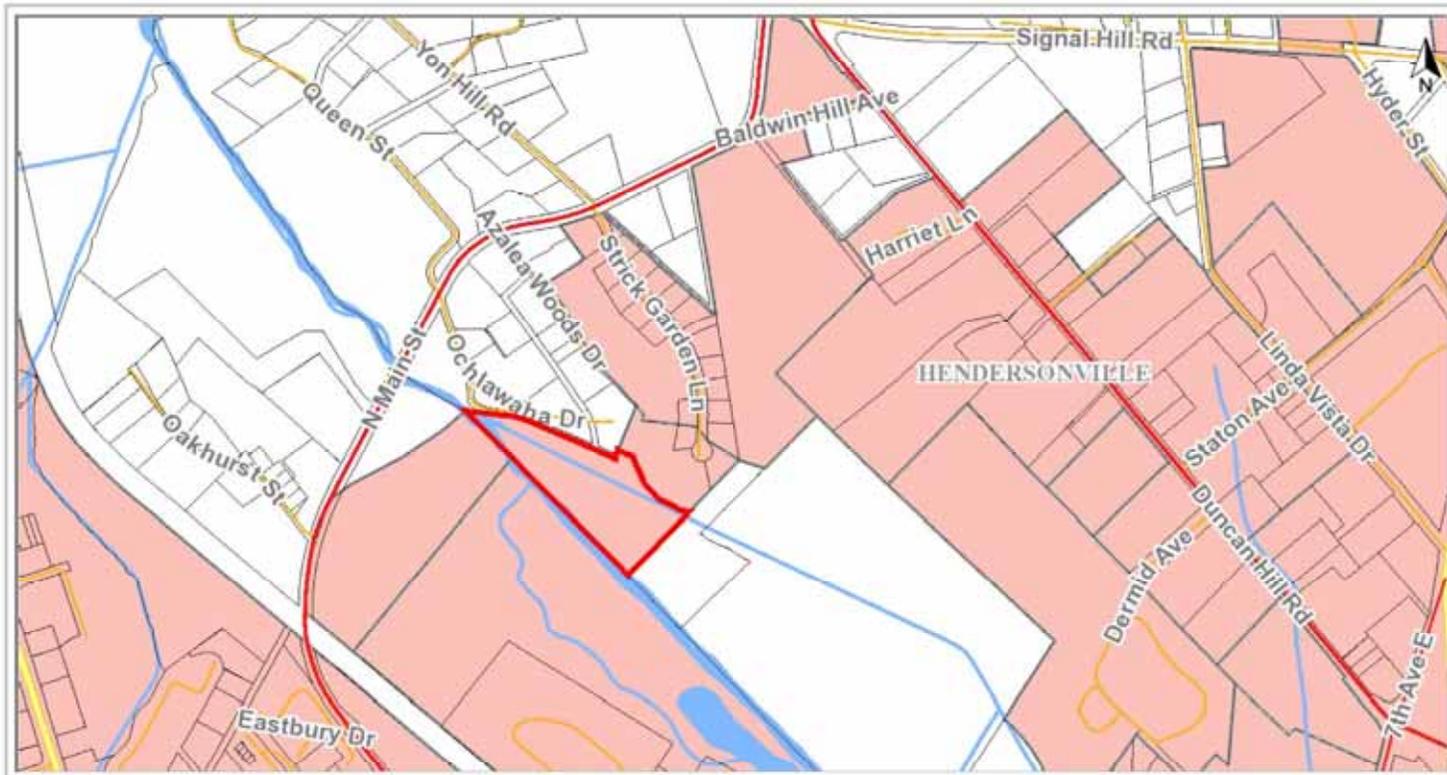
Budget Impact: \$ Property Exchange Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move that the City Council approve the resolution authorizing the exchange of property with Housing Assistance Corporation.

Attachments:

Maps showing proposed properties
Proposed resolution



WARNING: THIS IS NOT A SURVEY

Parcel Information

REID:	10001253	Pin:	9569749268
Listed to:	HOUSING ASSISTANCE CORPORATION	Neighborhood:	OKLAWAHA VILLAGE
Mailing Address:	PO BOX 2057	Township:	Hendersonville
Mailing City, State, Zip:	HENDERSONVILLE, NC 28793	Municipality:	HENDERSONVILLE
Physical Address:	0 NO ADDRESS ASSIGNED	Tax District:	HENDERSONVILLE CITY
Deed:	001612/00485	Plat:	SLD 10625
Date Recorded:	2015-04-09 00:00:00.0	Elementary School District:	CLEAR CREEK
Revenue Stamps:	0E-8	Middle School District:	HENDERSONVILLE MIDDLE
County Zoning:	Cities	High School District:	HENDERSONVILLE HIGH
Property Description:	RECOMBINATION OKLAWAHA VILLAGE LO23 BMSLD-10625	Soil:	Hayesville loam, 7 to 15 percent slopes
Map Sheet:	9569.12	Voting Precinct:	Northeast
Assessed Acreage:	5.64000000	Commissioner District:	2
Building Value:	\$0.00	Agricultural District:	None Found
Land Value:	\$56,400.00	North Carolina House District:	117
Value To Be Billed:	\$56,400.00	U.S. House District:	11
North Carolina Senate District:	48	Flood Zone:	Zone AE, 1% (100 Year Floodplain), Zone X, Not Shaded (Areas outside of the floodplain), Floodway Areas in Zone AE, Zone X, Shaded, 0.2% (500 Year Floodplain)

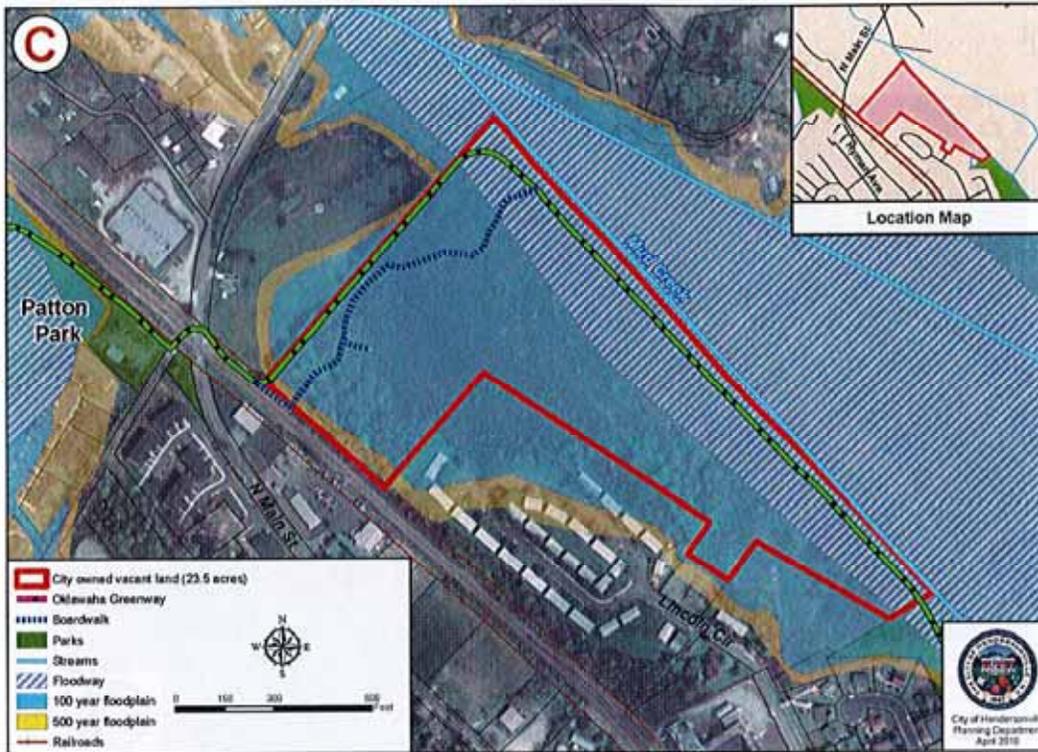


Henderson County
 Geographic Information Systems (GIS)
 200 North Grove Street
 Hendersonville, NC 28792
 P: (828) 698-5124
 F: (828) 698-5122

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Property C



Property D





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Parcel Information

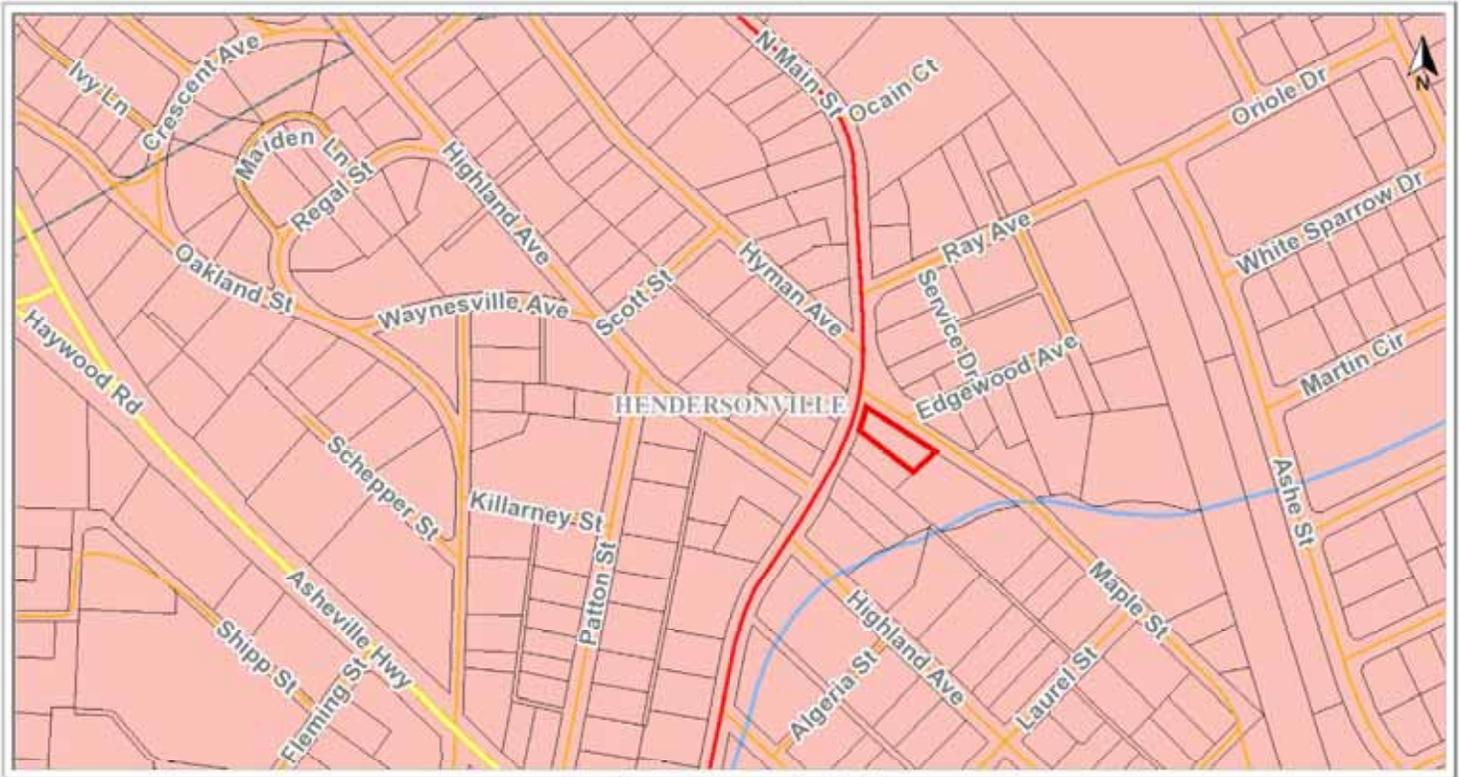
REID:	9904239	Pin:	9569717524
Listed to:	CITY OF HENDERSONVILLE THE	Neighborhood:	HENDERSONVILLE CITY
Mailing Address:	145 5TH AVE E	Township:	Hendersonville
Mailing City, State, Zip:	HENDERSONVILLE, NC 28792	Municipality:	HENDERSONVILLE
Physical Address:	0 NO ADDRESS ASSIGNED	Tax District:	HENDERSONVILLE CITY
Deed:	001153/00571	Plat:	Not Available
Date Recorded:	2003-09-10 00:03:00.0	Elementary School District:	BRUCE DRYSDALE
Revenue Stamps:	0E-8	Middle School District:	HENDERSONVILLE MIDDLE
County Zoning:	Cities	High School District:	HENDERSONVILLE HIGH
Property Description:	#16 & STRIP COLD SPRING PARK	Soil:	Hayesville loam, 7 to 15 percent slopes
Map Sheet:	9569.20	Voting Precinct:	Hendersonville 2
Assessed Acreage:	0.17000000	Commissioner District	1
Building Value:	\$0.00	Agricultural District	None Found
Land Value:	\$25,800.00	North Carolina House District	117
Value To Be Billed:	\$25,800.00	U.S. House District	11
North Carolina Senate District	48	Flood Zone:	Zone X, Not Shaded (Areas outside of the floodplain)



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Hendersonville, NC 28792
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WARNING: THIS IS NOT A SURVEY

Parcel Information

REID:	9904240	Pin:	9569717567
Listed to:	THE CITY OF HENDERSONVILLE	Neighborhood:	HENDERSONVILLE CITY
Mailing Address:	400 N MAIN ST	Township:	Hendersonville
Mailing City, State, Zip:	HENDERSONVILLE, NC 28792	Municipality:	HENDERSONVILLE
Physical Address:	0 NO ADDRESS ASSIGNED	Tax District:	HENDERSONVILLE CITY
Deed:	000437/00183	Plat:	Not Available
Date Recorded:	1990-01-01 00:01:00.0	Elementary School District:	BRUCE DRYSDALE
Revenue Stamps:		Middle School District:	HENDERSONVILLE MIDDLE
County Zoning:	Cities	High School District:	HENDERSONVILLE HIGH
Property Description:	#17 COLD SPRING PARK	Soil:	Hayesville loam, 7 to 15 percent slopes
Map Sheet:	9569.20	Voting Precinct:	Hendersonville 2
Assessed Acreage:	0.21000000	Commissioner District	1
Building Value:	\$0.00	Agricultural District	None Found
Land Value:	\$30,000.00	North Carolina House District	117
Value To Be Billed:	\$30,000.00	U.S. House District	11
North Carolina Senate District	48	Flood Zone:	Zone X, Not Shaded (Areas outside of the floodplain)



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CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Sam Fritschner

Department: Legal

Date Submitted: 24

Presenter: John Connet

Date of Council Meeting to consider this item: 7 June 2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05g

At its May meeting the City Council indicated an intent to accept the exchange of certain real property between the City and The Housing Assistance Authority. The attached resolution would permit the city manager to effect that exchange.

Budget Impact: \$ 0 Is this expenditure approved in the current fiscal year budget? ^{N/A} If no, describe how it will be funded.

Suggested Motion:

I move the City Council to adopt the resolution authorizing the city manager to complete a transaction exchanging city property for property belonging to The Housing Assistance Corporation.

Attachments:

Proposed resolution

RESOLUTION # _____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXCHANGE CERTAIN REAL PROPERTIES IN HENDERSON COUNTY

WHEREAS North Carolina General Statutes § 160A-271 permits municipalities to exchange properties with others under certain conditions, and

WHEREAS the City Council finds it to the benefit of the City and its taxpayers to exchange with The Housing Assistance Corporation certain real property, as referred to in this Resolution, and

WHEREAS the City Council finds that the properties and combinations of properties listed below are of substantially equal value,

NOW, BE IT THEREFORE RESOLVED that the City Manager be and he is hereby authorized to acquire the following identified real property from The Housing Assistance Corporation by exchanging the properties designated herein:

To be conveyed by the City of Hendersonville
to The Housing Assistance Corporation:

PINs 9569-71-7567
 9569-71-7524

To be conveyed by The Housing Assistance Corporation
to the City of Hendersonville:

All of that real property shown as "Lot 23" on that survey
recorded at plat slide 11137, Henderson County Registry

BE IT FURTHER RESOLVED that the City Manager be permitted reasonable funds necessary to conduct the said exchange.

Adopted this seventh day of June 2018.

Barbara Volk
Mayor, City of Hendersonville

ATTEST:

Tammie K. Drake, CMC
City Clerk



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Jennifer Harrell

Department: Admin

Date Submitted: 5/17/18

Presenter: Jennifer Harrell

Date of Council Meeting to consider this item: 6/7/2018

Nature of Item: Presentation Only

Summary of Information/Request:

Item # 05h

To safeguard citizens, employees, protect equipment and reduce frequency and severity of accidents, staff feels it necessary to participate in a program to review employee driving records. The proposed policy is attached.

Budget Impact: \$.00 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move that City Council accepts the Motor Vehicle Driving Record policy as presented.

Attachments:

Motor Vehicle Driving Record policy

	CITY OF HENDERSONVILLE		
Policy Name:	Motor Vehicle Driving Record Policy	Date Adopted by Council :	

I. Purpose:

To safeguard people, protect equipment, and reduce the frequency and severity of accidents, the City of Hendersonville will participate in a program to review employee driving records. The public driving record includes status of a driving license and incidents that occur while driving during and outside of City business.

Employees who operate City vehicles must have a valid motor vehicle license issued by the state of their current residence and be considered an insurable risk by the City’s automobile liability insurance carrier.

II. Applicability:

The policy refers to all City employees who:

- Are authorized to operate City owned/rented/ leased vehicles
- Are in consideration for promotion or transfer into positions requiring the operation of City owned/leased/rented vehicles
- All applicants to positions requiring the operation of City owned/leased/rented vehicles

Employees who operate City owned/rented/leased vehicles will complete a release disclosure form allowing this review.

III. Motor Vehicle Records

State Motor Vehicle Records (MVRs) will be used as the source for verifying driver history. All traffic offenses including infractions received within a three (3) year period, determined at point of MVR review, will be considered in determining a driver’s eligibility to operate City vehicles.

Employee MVRs will be obtained and reviewed annually. Driving privileges may be withdrawn or suspended and the city vehicle removed from any driver based on the results of the MVR review, including employees that refuse to sign the release disclosure form. In addition, appropriate disciplinary action may be taken up to and including termination of employment.

For current employees considered for promotion or transfer, a three (3) year driving record will be reviewed prior to assignment.

Listed below are the offenses considered in determining a driver’s eligibility to operate City vehicles.

	CITY OF HENDERSONVILLE		
Policy Name:	Motor Vehicle Driving Record Policy	Date Adopted by Council :	

- DWI/DUI – alcohol or drugs
- Negligent Homicide, manslaughter, or assault with a vehicle
- Operating a vehicle during a period of suspension or revocation
- Operating a vehicle for the commission of a felony
- Operating a vehicle without permission
- Permitting an unlicensed driver to drive
- Reckless Driving
- Hit and Run
- Racing
- Passing a stopped school bus
- Attempting to elude a law enforcement officer
- Failure to stop and report an accident
- Speeding

Employees charged with any of these offenses may be restricted from operating a City vehicle until the incident is resolved in the court. Conviction may result in termination from employment.

Refer to the City Vehicle Use Policy for issues concerning City vehicles.



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Chief Herbert Blake

Department: Police

Date Submitted: 05-18-2018

Presenter: Chief Herbert Blake

Date of Council Meeting to consider this item: 06-07-18

Nature of Item: Council Action

Summary of Information/Request:

Item # 05i

The Hendersonville Police Department will be retiring K-9 Bak due to age and health reasons. Bak is 10 years old and his health has declined primarily due to recurring soft tissue injury to right front wrist. Bak has already been replaced this year with K-9 Sunny from funds donated by Stand T.A.L.L. Officer Pete Laite, who has been the handler for Bak, has requested that he be allowed to take ownership of Bak. It is my recommendation and request in light of past practices regarding K-9 retirements, and in the case of health considerations, that Bak be awarded to Officer Laite for private ownership. As with all previous requests, Officer Laite has signed the standard Canine Transfer/Release of Ownership form stating that he accepts full ownership and responsibility for Bak and his care.

The Hendersonville Police Department will also be retiring K-9 Maky due to age and health reasons. Maky is 9 years old and his health has declined primarily due to teeth and eye issues. K-9 Maky will not be replaced at this time. Detective Robert Cantwell, who has been the handler for Maky, has requested that he be allowed to take ownership of Maky. It is my recommendation and request in light of past practices regarding K-9 retirements, and in the case of health considerations, that Maky be awarded to Detective Cantwell for private ownership. As with all previous requests, Detective Cantwell has signed the standard Canine Transfer/Release of Ownership form stating that he accepts full ownership and responsibility for Maky and his care.

Budget Impact: \$ No Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

The Hendersonville Police Department is requesting the approval of City Council for the retirement and transfer of ownership of two HPD Canine's, Bak and Maky to Officer Laite and Detective Maky, respectively.

Attachments:

HENDERSONVILLE POLICE DEPARTMENT

CANINE TRANSFER/RELEASE OF OWNERSHIP

I, Robert Cantwell, of 2 Majestic Trace
Name of Recipient Street Address

Hendersonville, NC, (828) 707-7743 acknowledge and certify
City/State Telephone Number

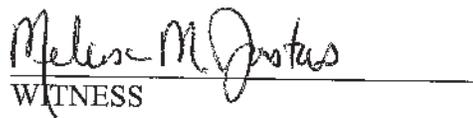
that canine Maky has been given to me and that I am the sole owner of this
Name of Dog

canine. I accept complete responsibility for him/her effective immediately. I understand that upon signing this form I am accepting full responsibility for any future actions of this canine and release the Hendersonville Police Department, City of Hendersonville, and all of their representatives of any liability or responsibility for said canine which is a trained police canine.

I also agree to accept this canine as personal property and agree not to use the canine for police work in any form for anyone or any agency, including the act of breeding (law enforcement or otherwise). I will not sell this canine to anyone.

I accept the above dog this 7th day of June, 20 18.


RECIPIENT


WITNESS


CHIEF OF POLICE

**RESOLUTION AUTHORIZING THE DONATION OF SURPLUS PROPERTY (CANINE MAKY)
TO DETECTIVE ROBERT CANTWELL DUE TO RETIREMENT OF CANINE**

WHEREAS; The City of Hendersonville has in its possession a police canine, "Maky," which is being retired due to age and health and its ability to perform duties required by such canine work, and,

WHEREAS; The City of Hendersonville desires to donate Maky as surplus property to Detective Robert Cantwell so that Maky can live the remainder of his life with the person who has cared for him during his time with the City, and

WHEREAS; The City of Hendersonville police department believes that it is in the best interest of Maky and that the City of Hendersonville transfer ownership of Maky to Detective Robert Cantwell through the Canine Transfer/Release of Ownership program,

NOW, THEREFORE, BE IT RESOLVED THAT the City of Hendersonville police department be permitted to donate to Police Detective Robert Cantwell the canine known as "Maky."

Adopted this seventh day of June 2018.

Attest:

Barbara G. Volk, Mayor

Tammie K. Drake, CMC, City Clerk

HENDERSONVILLE POLICE DEPARTMENT

CANINE TRANSFER/RELEASE OF OWNERSHIP

I, Pete Laite, of 218 Pine Cove Lane
Name of Recipient Street Address

Hendersonville, NC, (828) 243-1857 acknowledge and certify
City/State Telephone Number

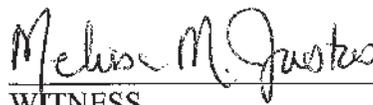
that canine Bak has been given to me and that I am the sole owner of this
Name of Dog

canine. I accept complete responsibility for him/her effective immediately. I understand that upon signing this form I am accepting full responsibility for any future actions of this canine and release the Hendersonville Police Department, City of Hendersonville, and all of their representatives of any liability or responsibility for said canine which is a trained police canine.

I also agree to accept this canine as personal property and agree not to use the canine for police work in any form for anyone or any agency, including the act of breeding (law enforcement or otherwise). I will not sell this canine to anyone.

I accept the above dog this 7th day of June, 20 18.


RECIPIENT


WITNESS


CHIEF OF POLICE

**RESOLUTION AUTHORIZING THE DONATION OF SURPLUS PROPERTY (CANINE BAK)
TO OFFICER PETE LAITE DUE TO RETIREMENT OF CANINE**

WHEREAS; The City of Hendersonville has in its possession a police canine, "Bak," which is being retired due to age and health and its ability to perform duties required by such canine work, and,

WHEREAS; The City of Hendersonville desires to donate Bak as surplus property to Police Officer Pete Laite so that Bak can live the remainder of his life with the person who has cared for him during his time with the City, and

WHEREAS; The City of Hendersonville police department believes that it is in the best interest of Bak and that the City of Hendersonville transfer ownership of Bak to Police Officer Pete Laite through the Canine Transfer/Release of Ownership program,

NOW, THEREFORE, BE IT RESOLVED THAT the City of Hendersonville police department be permitted to donate to Police Officer Pete Laite the canine known as "Bak."

Adopted this seventh day of June 2018.

Attest:

Barbara G. Volk, Mayor

Tammie K. Drake, CMC, City Clerk



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Brent Detwiler

Department: Engineering

Date Submitted: 5/30/18

Presenter: Brent Detwiler

Date of Council Meeting to consider this item: 6/7/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05j

NCDOT Utility Agreement for U-5105 Erkwood/Shepherd Roundabout:

NCDOT is in the process of installing a roundabout at the intersection of NC 225 (Greenville Highway) and Erkwood Drive/Shepherd Street. As part of the project they will need to relocate a portion of the City's existing water distribution and sewer collection systems. Note that per NC statute the City is responsible for 25% of the costs associated with the relocation. We have attached a draft copy of the utility agreement and ask that you allow the City Manager to execute the final version of the agreement.

Budget Impact: \$ 82,506.75 Is this expenditure approved in the current fiscal year budget? No If no, describe how it will be funded.

It will be budgeted in a future year. NCDOT will request reimbursement upon completion of the project.

Suggested Motion:

I move to approve the NCDOT Utility Agreement for U-5105 Erkwood/Shepherd Roundabout; and to authorize the City Manager to execute the finalized agreement for said work; as presented and recommended by staff.

Attachments:

Draft utility agreement including exhibits

NORTH CAROLINA
HENDERSON COUNTY

UTILITY CONSTRUCTION AGREEMENT (UCA)

DATE: 5/22/2018

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

Project: U-5105

AND

WBS Elements: 41903.3.3

CITY OF HENDERSONVILLE

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department" and the City of Hendersonville, hereinafter referred to as the "Municipality."

WITNESSETH:

WHEREAS, the Department has prepared and adopted plans to make certain street and highway improvements under Project U-5105, in Henderson County, said plans consists of intersection Improvements, US 25/SR 1164 (Erkwood Drive)/SR 1779 (Shepherd Street), Henderson County; said project having a right-of-way width as shown on the project plans on file with the Department's office in Raleigh, North Carolina; and,

WHEREAS, the parties hereto wish to enter into an agreement for certain utility work to be performed by the Department's construction contractor with full reimbursement by the Municipality for the costs thereof as hereinafter set out.

NOW, THEREFORE, it is agreed as follows:

1. The Department shall place provisions in the construction contract for Project U-5105, Henderson County, for the contractor to adjust and relocate water and sewer lines. Said work shall be accomplished in accordance with project special provisions attached hereto as Exhibit "A", cost estimate attached hereto as Exhibit "B" and the plan sheets attached hereto as Exhibit "C".
2. The Municipality shall be responsible for water and sewer lines cost as shown on the attached Exhibit "C". The estimated cost to the Municipality is \$82,506.75 as shown on the attached

Exhibit "B". It is understood by both parties that this is an estimated cost and is subject to change. The Municipality shall reimburse the Department for said costs as follows:

- A. Upon completion of the highway work, the Department shall submit an itemized invoice to the Municipality for costs incurred. Billing will be based upon the actual bid prices and actual quantities used.
 - B. Reimbursement shall be made by the Municipality in one final payment within sixty (60) days of said invoice.
 - C. If the Municipality does not pay said invoice within sixty (60) days of the date of the invoice, the Department shall charge interest on any unpaid balance at a variable rate of the prime plus (1%) in accordance with G.S. 136-27.3.
 - D. Said interest rate shall be set upon final execution of the Agreement by the Department. The Municipality will be notified of the set interest rate by the Department's approval letter upon receipt of the fully executed agreement.
 - E. Any cost incurred due to additional utility work requested by the Municipality after award of the construction contract, shall be solely the responsibility of the Municipality. The Municipality shall reimburse the Department 100% of the additional utility cost.
3. In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment hereinabove provided, North Carolina General Statute 136-41.3 authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by North Carolina General Statute, Section 136-41.1, until such time as the Department has received payment in full.
4. Upon the satisfactory completion of the relocations and adjustments of the utility lines covered under this Agreement, the Municipality shall assume normal maintenance operations to the said utility lines. Upon completion of the construction of the highway project, the Municipality shall release the Department from any and all claims for damages in connection with adjustments made to its utility lines; and, further, the Municipality shall release the Department of any future responsibility for the cost of maintenance to said utility lines. Said releases shall be deemed to be given by the Municipality upon completion of construction of the project and its acceptance by the Department from its contractor unless the Municipality notifies the Department, in writing, to the contrary prior to the Department's acceptance of the project.

5. It is further agreed that the following provisions shall apply regarding the utilities covered in this Agreement.
 - A. The Municipality obligates itself to service and to maintain its facilities to be retained and installed over and along the highway within the Department's right-of-way limits in accordance with the mandate of the North Carolina General Statutes and such other laws, rules, and regulations as have been or may be validly enacted or adopted, now or hereafter.
 - B. If at any time the Department shall require the removal of or changes in the location of the encroaching facilities which are being relocated at the Municipality's expense, the Municipality binds itself, its successors and assigns, to promptly remove or alter said facilities, in order to conform to the said requirement (if applicable per G.S. 136-27.1), without any cost to the Department.
6. By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Environmental Quality, Health and Human Services, Information Technology, Military and Veterans Affairs, Natural and Cultural Resources, Public Safety, Revenue, Transportation, and the Office of the Governor).

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given.

L.S. ATTEST: CITY OF HENDERSONVILLE
BY: _____ BY: _____
TITLE: _____ TITLE: _____
DATE: _____

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

Approved by _____ of the local governing body of the City of Hendersonville as attested to by the signature of Clerk of said governing body on _____ (Date)

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

(SEAL)

(FINANCE OFFICER)

Federal Tax Identification Number

Remittance Address:

City of Hendersonville

DEPARTMENT OF TRANSPORTATION

BY: _____
(CHIEF ENGINEER)

DATE: _____

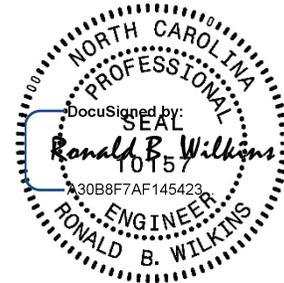
APPROVED BY BOARD OF TRANSPORTATION ITEM O: _____ (Date)

PROJECT SPECIAL PROVISIONS
Utility Construction

EXHIBIT A



License No. C-2639
401 Harrison Oaks Blvd., Suite 145
Cary, NC 27513
(919) 653-0001



5/17/2018 4:03:28 PM EDT

(Seal)

**DOCUMENT NOT CONSIDERED FINAL
UNLESS ALL SIGNATURES COMPLETED**

Revise the 2018 Standard Specifications as follows:

Page 15-1, Sub-article 1500-2 COOPERATION WITH UTILITY OWNERS, paragraph 2: add the following sentences:

The utility owner is the City of Hendersonville. The contact person for the City of Hendersonville is Mr. Brent Detwiler, PE, City Engineer. Mr. Detwiler can be reached by phone at (828) 697-3060.

All proposed water line relocation work shall be performed at a time to be coordinated with the utility owner. Water lines shall not be taken out of service without prior approval of the utility owner and service interruptions shall not exceed four hours.

Page 15-2, Sub-article 1500-7 SUBMITTALS AND RECORDS, paragraph 3: add the following sentences:

As-built plans shall be provided to the City of Hendersonville showing the size and type of material installed and the coordinates of all utility horizontal and vertical locations of all installed piping and appurtenances. As-built plans and associated documentation shall be provided to the Engineer prior to acceptance of the work.

Page 15-6, Sub-article 1510-3(B) Testing and Sterilization: add the following:

After the pipeline has been satisfactorily constructed compete with the required fire hydrants, services, and all other appurtenances, and the trench backfilled satisfactorily, and after line flushing and approval by the Engineer, the newly constructed pipeline and valved sections shall be subjected to a hydrostatic pressure leakage test. The Contractor shall notify the Engineer when the work is ready for testing with all testing done in the presence of the Engineer. All

labor, equipment, water and materials, including meters and gauges shall be furnished by the Contractor at his own expense.

Ductile iron pipe will be tested in accordance with AWWA C600.

Each completed section of the pipeline shall be plugged at both ends and slowly filled with water. As the main is being filled with water in preparation of the tests, all air shall be expelled from the pipe. The main shall be subjected to hydrostatic pressure of 200 pounds per square inch for a period of two (2) hours unless otherwise specified. Pressure shall be applied to the main by means of a hand pump for small lines or by use of a gasoline pump or fire engine for larger lines.

The rate of leakage shall be determined at fifteen (15) minute intervals by means of volumetric measurement of the water added during the test until the rate has stabilized at the constant value for three (3) consecutive fifteen (15) minute periods.

Leakage is defined as the quantity of water to be supplied into the newly laid pipe, or any valved section, necessary to maintain the specified leakage test pressure after the pipe has been filled with water and the air expelled. No piping installation will be accepted until the leakage is less than ten (10) gallons per inch of pipe diameter per mile of pipe per twenty-four (24) hours.

Cracked or defective pipe, joints, fittings, valves, or hydrants discovered in consequence of this test shall be removed and replaced with sound materials, and the test shall be repeated until the test results are satisfactory. Precautions shall be taken to remove or otherwise protect equipment in, or attached to, pipe to prevent damage or injury.

Pipe interiors, fittings, and valves shall be protected from contamination. Pipe delivered for construction shall be strung so as to minimize entrance of foreign matter. When pipe laying is not in progress for more than one hour, all openings in the pipeline shall be closed by watertight plugs. Joint of all pipe in the trench shall be completed before work is stopped. If water accumulates in the trench, the plug shall remain in place until the trench is dry.

If dirt enters the pipe that, in the opinion of the Engineer, will not be removed by flushing operations, the interior of the pipe shall be cleaned and swabbed as necessary, with a 5% hypochlorite disinfecting solution.

The Contractor shall provide sampling taps, Generally, sampling taps shall be provided on the water main every 1,000' and at the end of each main and at the end of each branch, in order to afford representative water testing and sample collection.

Sampling taps may be used as blow-offs. The number and locations of the taps/blow-offs must be approved by the Engineer. Hydrants may not be used for bacterial sampling.

The Contractor shall construct taps so that bacteriological samples can be easily collected without danger to personnel or likelihood of sample contamination. The Contractor shall legibly mark each sample tap with identifying letters or numbers for sample reference purposes. The Contractor shall not designate hydrants as taps for bacteriological sampling purposes. If the

service or corporation taps are installed before the laboratory tests are completed, each tap will be tested for coliform bacterial.

Before being placed in service, all new mains and existing piping disturbed in any manner by the work shall be disinfected. Draining the water from existing piping or even lowering the water pressure more than one-half will constitute disturbance of the piping.

The disinfecting of water mains, valves and other appurtenances incorporated into the main construction shall be done by means of a chlorinating measuring apparatus, with proper devices for regulating the flow and providing an effective diffusion into the water within the main being disinfected by an application of chlorine-bearing compound bearing a high-test calcium hypochlorite (65-70% available chlorine). In the preparation of the solution, the powder shall first be made into a paste and then gradually thinned with water to approximately 1% chlorine solution (10,000 parts per pound of powder). This will require about 7.50 gallons of water to each one pound of powder. Solution shall be applied to the main through a rubber hose by gravity, siphonage, injection or by suitable pump feeder.

The point of chlorine application shall be at the beginning of the water main construction and/or any valve section thereof, through corporation cock installed close to and on the downstream side of the regulating gate valve controlling the flow of such proportion to the rate of water flow entering the main that the chlorine applied shall produce fifty (50) parts per million (420 pounds per million gallons) chlorine concentration in the water within the main.

During the disinfecting operation, valves, hydrants, and other mechanical devices controlling the flow of water shall be operated to permit full effectiveness of the chlorine. Valves shall be manipulated so that the strong solution within the main being sterilized will not flow back into the supply line nor flow into mains already in service. A chlorine concentration test shall be made, in turn, at each of the hydrants and/or taps provided for that purpose.

The tablet method of disinfection may be utilized for disinfection provided the total length of potable water main to be laid is less than 2,000 linear feet of pipe less than 12" in diameter. This method will be suitable only, if in the opinion of the Engineer, the pipeline has been maintained suitable free from foreign matter and any other contaminants during construction.

Page 15-8, Sub-article 1515-3(B) Meters: add the following sentences:

All relocated water meters shall be installed with new service water line back to the main. No connections or splices to existing water service lines will be permitted.

Page 15-14, Sub-article 1525-3(B) Installation of Precast Units: add the following sentences:

No doghouse manholes will be allowed on this project.

Air Testing of all new manholes is required and shall meet the requirements of ASTM C-1244. Manholes shall be sealed with plate-style sealing equipment on top of the casting so that the adjustment rings can also be tested. Bladder-style sealers are not acceptable. If a lateral is extended

out of a manhole to a property the lateral shall be air tested with the manhole test, i.e. the lateral shall not be sealed off during the test.

Air-testing will be conducted as the project is being installed. This includes all mainline between manholes, future mainline stubs and laterals out of manholes. The air testing shall be in accordance with ASTM F-1417.

Deflection testing of all new PVC sewer pipe shall be conducted 30 days after installation and backfilling of the pipe or as otherwise directed by the Engineer.

The contractor shall furnish all necessary equipment including an approvable mandrel or other approved device and conduct the deflection tests at the direction of the Engineer.

The maximum allowable limits for deflection of installed pipe under this specification shall be 7.5%. Base inside diameters and 7.5% deflection mandrel dimensions shall be per ASTM F-679 (latest edition). Deflection shall be measured with a rigid mandrel (Go/No Go) device cylindrical in shape and constructed with a minimum of nine evenly spaced arms or prongs. Drawings of the mandrel with complete dimensions shall be submitted to the Engineer for each diameter of pipe to be tested. The mandrel shall be hand pulled through all sewer lines.

Any section of sewer not passing the mandrel shall be uncovered and the bedding and backfill replaced to prevent excessive deflection. Repaired pipe shall be retested to ensure that acceptable deflection limits are not exceeded.

The Contractor shall furnish and install during backfill operation for all gravity mainline sewers and laterals printed polyethylene green (SEWER) tape above the bedding material, three (3) feet above the crown of the pipe.

All testing of pipe and associated sewer manholes and appurtenances shall be considered incidental to the applicable pay items for gravity sanitary sewer pipe.

END OF SECTION



401 Harrison Oaks Blvd., Suite 145
 Cary, North Carolina 27513
 (919) 653-0001 (office)
 (704) 814-9042 (fax)

Hinde Proj. Number	A20141102.00	
NCDOT Proj. Number	U-5105	
Project	NC 225 (Greenville Hwy) Intersection Improvements from SR 1164 to SR 1779	
Location	Hendersonville, Henderson County	
Calculated By	RBW	Date 5/22/2018
Reviewed By	RBW	Date 5/22/2018

ITEM	ITEM NUMBER	SECTION	ITEM DESCRIPTION	UNITS	QUANTITY		City Cost
D	0320000000-E	300	Foundation Conditioning Geotextile	SY	400		\$795.00
D	0318000000-E	300	Foundation Conditioning Material, Minor Strs	TON	145		\$1,244.00
U	5325400000-E	1510	4" Water Line	LF	10		\$82.50
U	5325600000-E	1510	6" Water Line	LF	81		\$705.00
U	5326200000-E	1510	12" Water Line	LF	1,204		\$19,464.00
U	5329000000-E	1510	Ductile Iron Water Pipe Fittings	LB	4,805		\$5,685.00
U	5538000000-E	1515	4" Valve	EA	1		\$148.00
U	5540000000-E	1515	6" Valve	EA	3		\$620.00
U	5558000000-E	1515	12" Valve	EA	7		\$2,582.00
U	5648000000-N	1515	Relocate Water Meter	EA	18		\$7,388.00
U	5672000000-E	1515	Relocate Fire Hydrant	EA	1		\$762.00
U	5673000000-E	1515	Fire Hydrant Leg	LF	28		\$238.00
U	5686500000-E	1515	Water Service Line	LF	634		\$996.00
U	5691300000-E	1520	8" Sanitary Gravity Sewer	LF	460		\$7,124.00
U	5691500000-E	1520	15" Sanitary Gravity Sewer	LF	112		\$2,225.00
U	5768500000-E	1520	Sewer Service Line	LF	300		\$1,854.00
U	5768000000-N	1520	Sanitary Clean Out	EA	10		\$989.00
U	5775000000-E	1525	4' Dia. Utility Manhole	EA	6		\$5,266.00
U	5776000000-E	1525	5' Dia. Utility Manhole	EA	1		\$1,141.00
U	5781000000-E	1525	Utility Manhole Wall, 4' Dia	LF	14		\$4,198.00
U	5782000000-E	1525	Utility Manhole Wall, 5' Dia	LF	15		\$6,133.00
U	5816000000-E	1530	Abandon Utility Manhole	EA	4		\$2,017.00
U	5815000000-N	1530	Remove Water Meter	EA	1		\$88.50
U	5835700000-E	1540	16" Encasement Pipe	LF	115		\$0.00
						Subtotal	\$71,745.00
						15% Contingency	\$10,761.75
						TOTAL	\$82,506.75

EXHIBIT B

TIP PROJECT: U-5105

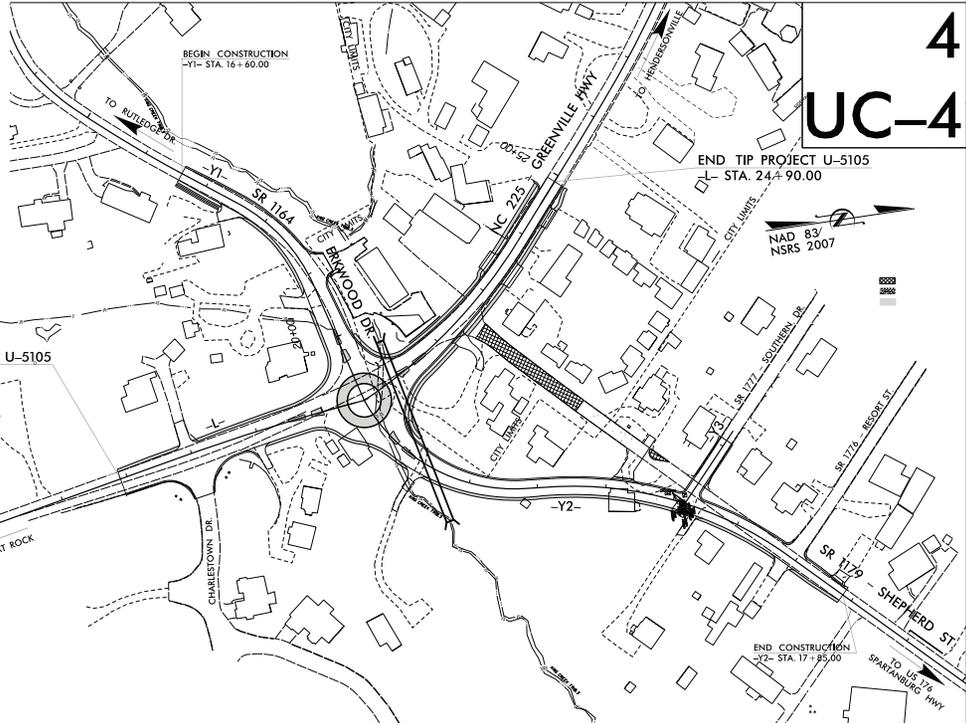
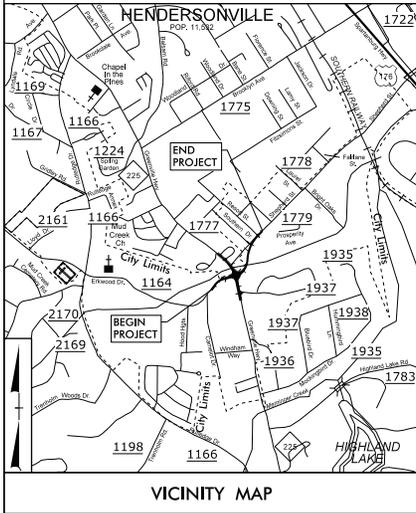
STATE OF NORTH CAROLINA
DIVISION OF HIGHWAYS

**UTILITY CONSTRUCTION PLANS
HENDERSON COUNTY**

**LOCATION: NC 225 (GREENVILLE HWY) INTERSECTION IMPROVEMENTS
FROM SR 1164 (ERKWOOD DR) TO SR 1779 (SHEPHERD ST)
TYPE OF WORK: UTILITIES**

T.I.P. NO.	SHEET NO.
U-5105	UC-1

DOCUMENT NOT CONSIDERED FINAL
UNLESS ALL SIGNATURES COMPLETED



**4
UC-4**

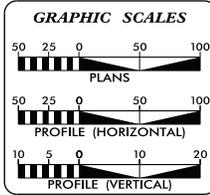
EXHIBIT C

AGREEMENT PLANS

COST BREAKDOWN LEGEND	
STATE COST 75%	
CITY OF HENDERSONVILLE 25%	
STATE COST 100%	

A PORTION OF THIS PROJECT IS WITHIN THE MUNICIPAL BOUNDARIES OF HENDERSONVILLE.

CLEARING ON THIS PROJECT SHALL BE PERFORMED TO THE LIMITS ESTABLISHED BY METHOD II.



INDEX OF SHEETS	
SHEET NO.	DESCRIPTION
UC-1	TITLE SHEET
UC-2	UTILITY SYMBOLS
UC-3	NOTES
UC-3A THRU UC-3D	DETAILS
UC-4	UTILITY CONSTRUCTION SHEET
UC-5 THRU UC-7	PROFILE SHEETS

WATER AND SEWER OWNERS ON PROJECT	
TOWN OF HENDERSONVILLE - WATER AND SEWER	

PREPARED IN THE OFFICE OF:

7520 E. Independence Blvd., Suite 220, Charlotte, NC 28227
Ph. (704) 854-4427

Ronald B. Wilkins, P.E. UTILITIES PROJECT MANAGER
Clint L. Stevens, P.E. UTILITIES PROJECT ENGINEER
Ronald B. Wilkins, P.E. UTILITIES PROJECT DESIGNER



**DIVISION OF HIGHWAYS
UTILITIES UNIT**
8555 MAIL SERVICES CENTER
RALEIGH, NC 27699-1555
PHONE: (919) 307-6699
FAX: (919) 236-4151

Ted Adams DIVISION CONTACT #1
Mitchell Bishop DIVISION CONTACT #2
Bob Golding DIVISION CONTACT #3
Steve Cannon, PE DIVISION CONTACT #4

22-MAY-2016 14:37 PROJECT S:\2016\PROJECTS\2016\20160202.00_Mulkey-U-5105\Design\Utilities\Engineering\UC_Proj\U5105_ut_rsh_UC01_psh.dgn

UTILITY CONSTRUCTION

GENERAL NOTES:

1. THE PROPOSED UTILITY CONSTRUCTION SHALL MEET THE APPLICABLE REQUIREMENTS OF THE NC DEPARTMENT OF TRANSPORTATION'S "STANDARD SPECIFICATIONS FOR ROADS AND STRUCTURES" DATED JANUARY 2012.
2. THE EXISTING UTILITIES BELONG TO THE CITY OF HENDERSONVILLE, N.C. THE CONTACT PERSON FOR THE CITY IS MR. BRENT DETWILER, PE AND HE CAN BE REACHED AT (828) 697-3060
3. ALL WATER LINES TO BE INSTALLED WITHIN COMPLIANCE OF THE RULES AND REGULATIONS OF THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY, DIVISION OF WATER RESOURCES, PUBLIC WATER SUPPLY SECTION. ALL SEWER LINES TO BE INSTALLED WITHIN COMPLIANCE OF THE RULES AND REGULATIONS OF THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENT QUALITY, DIVISION OF WATER RESOURCES, WATER QUALITY SECTION. PERFORM ALL WORK IN ACCORDANCE WITH THE APPLICABLE PLUMBING CODES.
4. THE UTILITY OWNER OWNS THE EXISTING UTILITY FACILITIES AND WILL OWN THE NEW UTILITY FACILITIES AFTER ACCEPTANCE BY THE DEPARTMENT. THE DEPARTMENT OWNS THE CONSTRUCTION CONTRACT AND HAS ADMINISTRATIVE AUTHORITY. COMMUNICATIONS AND DECISIONS BETWEEN THE CONTRACTOR AND UTILITY OWNER ARE NOT BINDING UPON THE DEPARTMENT OR THIS CONTRACT UNLESS AUTHORIZED BY THE ENGINEER. AGREEMENTS BETWEEN THE UTILITY OWNER AND CONTRACTOR FOR THE WORK THAT IS NOT PART OF THIS CONTRACT OR IS SECONDARY TO THIS CONTRACT ARE ALLOWED, BUT ARE NOT BINDING UPON THE DEPARTMENT.
5. PROVIDE ACCESS FOR THE DEPARTMENT PERSONNEL AND THE OWNER'S REPRESENTATIVES TO ALL PHASES OF CONSTRUCTION. NOTIFY DEPARTMENT PERSONNEL AND THE UTILITY OWNER TWO WEEKS PRIOR TO COMMENCEMENT OF ANY WORK AND ONE WEEK PRIOR TO SERVICE INTERRUPTION. KEEP UTILITY OWNERS' REPRESENTATIVES INFORMED OF WORK PROGRESS AND PROVIDE OPPORTUNITY FOR INSPECTION OF CONSTRUCTION AND TESTING.

6. THE PLANS DEPICT THE BEST AVAILABLE INFORMATION FOR THE LOCATION, SIZE, AND TYPE OF MATERIAL FOR ALL EXISTING UTILITIES. MAKE INVESTIGATIONS FOR DETERMINING THE EXACT LOCATION, SIZE, AND TYPE MATERIAL OF THE EXISTING FACILITIES AS NECESSARY FOR THE CONSTRUCTION OF THE PROPOSED UTILITIES AND FOR AVOIDING DAMAGE TO EXISTING FACILITIES. REPAIR ANY DAMAGE INCURRED TO EXISTING FACILITIES TO THE ORIGINAL OR BETTER CONDITION AT NO ADDITIONAL COST TO THE DEPARTMENT.
7. MAKE FINAL CONNECTIONS OF THE NEW WORK TO THE EXISTING SYSTEM WHERE INDICATED ON THE PLANS, AS REQUIRED TO FIT THE ACTUAL CONDITIONS, OR AS DIRECTED.
8. MAKE CONNECTIONS BETWEEN EXISTING AND PROPOSED UTILITIES AT TIMES MOST CONVENIENT TO THE PUBLIC, WITHOUT ENDANGERING THE UTILITY SERVICE, AND IN ACCORDANCE WITH THE UTILITY OWNER'S REQUIREMENTS. MAKE CONNECTIONS ON WEEKENDS, AT NIGHT, AND ON HOLIDAYS IF NECESSARY.
9. ALL UTILITY MATERIALS SHALL BE APPROVED PRIOR TO DELIVERY TO THE PROJECT. SEE 1500-7, " SUBMITTALS AND RECORDS" IN SECTION 1500 OF THE STANDARD SPECIFICATIONS.

PROJECT SPECIFIC NOTES:

1. WATER LINE AND SEWER LINE CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE CITY OF HENDERSONVILLE STANDARD DETAILS AND THE PROJECT SPECIAL PROVISIONS.
2. PRIOR TO FINAL ACCEPTANCE OF THE WATER AND SEWER LINE WORK THE CONTRACTOR SHALL PROVIDE SURVEYED AS-BUILT RECORD DRAWINGS.
3. ANY PROPOSED CHANGES TO WATER OR SEWER LINE WORK SHALL BE APPROVED IN ADVANCE IN WRITING BY THE ENGINEER.
4. FLUSHING, DISINFECTING AND TESTING OF WATER LINES SHALL BE IN ACCORDANCE WITH THE PROJECT SPECIAL PROVISIONS.
5. TESTING OF SANITARY SEWER PIPING AND MANHOLES SHALL BE IN ACCORDANCE WITH THE PROJECT SPECIAL PROVISIONS.
6. ALL MANHOLES SHALL BE PRECAST WITH PRECAST BASES. NO DOGHOUSE MANHOLES WILL BE ALLOWED ON THIS PROJECT.

EXHIBIT C
AGREEMENT PLANS

 <p style="font-size: 8px;">14000166_C003 7507 G. Endeavour Lane, Suite 200, Charlotte, NC 28227</p> <p style="font-size: 8px; text-align: center;">DOCUMENT NOT CONSIDERED FINAL UNLESS ALL SIGNATURES COMPLETED</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 8px;">PROJECT REFERENCE NO. U-5105</td> <td style="font-size: 8px;">SHEET NO. UC-3</td> </tr> </table>	PROJECT REFERENCE NO. U-5105	SHEET NO. UC-3				
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UTILITIES ENGINEERING SEC PHONE: (919) 707-6690 FAX: (919) 250-4151							

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NOTE:
THE ESTIMATED QUANTITY OF DUCTILE IRON WATER PIPE FITTINGS ON THIS PLAN SHEET IS 4805 POUNDS. THE ACTUAL QUANTITY AND TYPE OF FITTINGS WILL VARY BASED ON FIELD CONDITIONS. (350# MIN WP)

SEE SHEET UC-5 FOR PROFILE -WL1-
SEE SHEET UC-6 FOR PROFILES -WL2-, -SL1- AND -SL2-
SEE SHEET UC-7 FOR PROFILE -SL3-

HINDE ENGINEERING
1400 W. 10th St., Suite 200, Cary, NC 27513
770.716.4200
770.716.4201

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PROJECT REFERENCE NO. U-5105 SHEET NO. UC-4

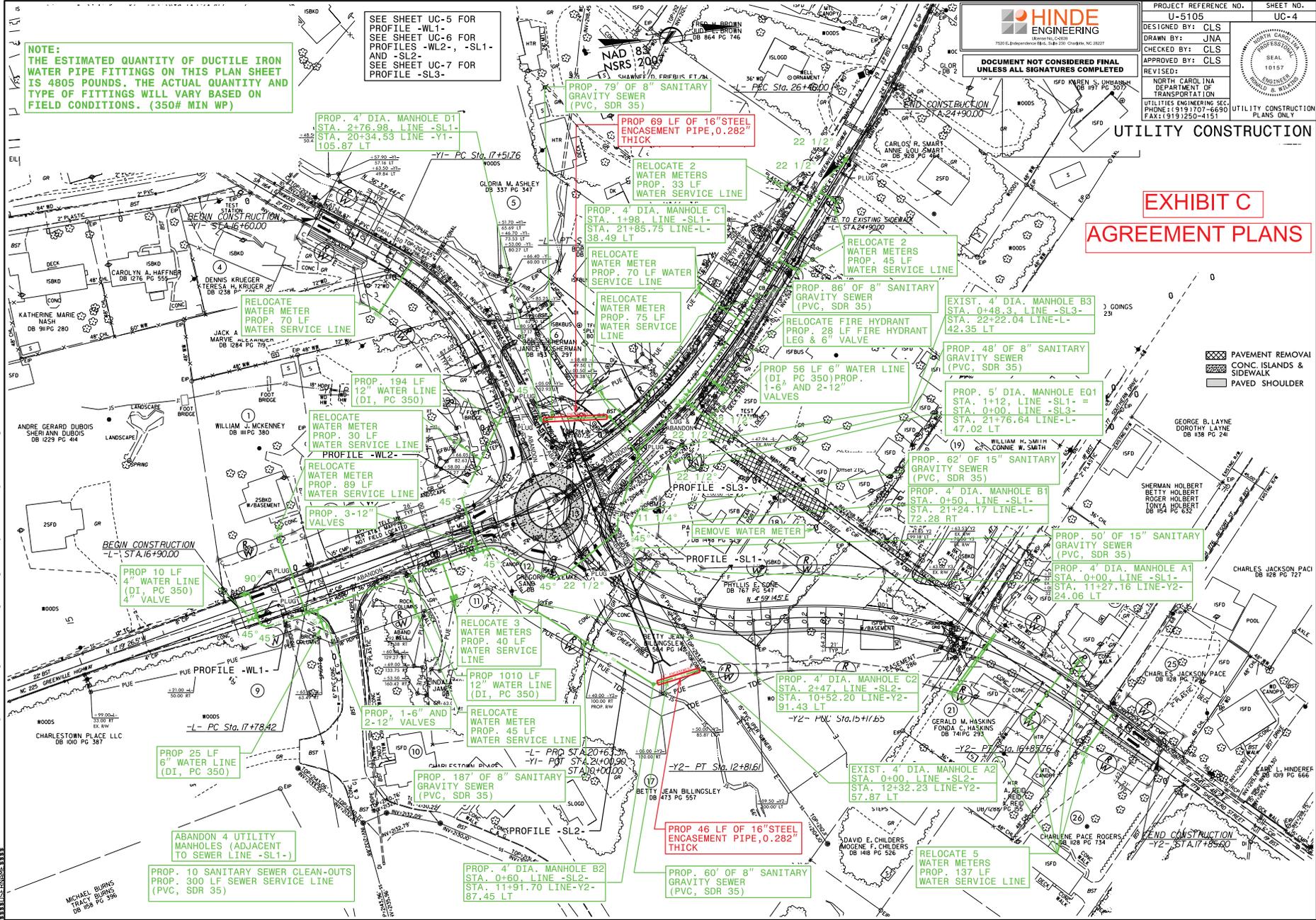
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APPROVED BY: CLS
REVISED:

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
UTILITIES ENGINEERING SECTION
PHONE: (919) 707-6690
FAX: (919) 250-4151

UTILITY CONSTRUCTION PLANS ONLY

EXHIBIT C
AGREEMENT PLANS

- PAVEMENT REMOVAL
- CONC. ISLANDS & SIDEWALK
- PAVED SHOULDER



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 MICHAEL BURNS
 TRACY BURNS
 DB 108 PG 396



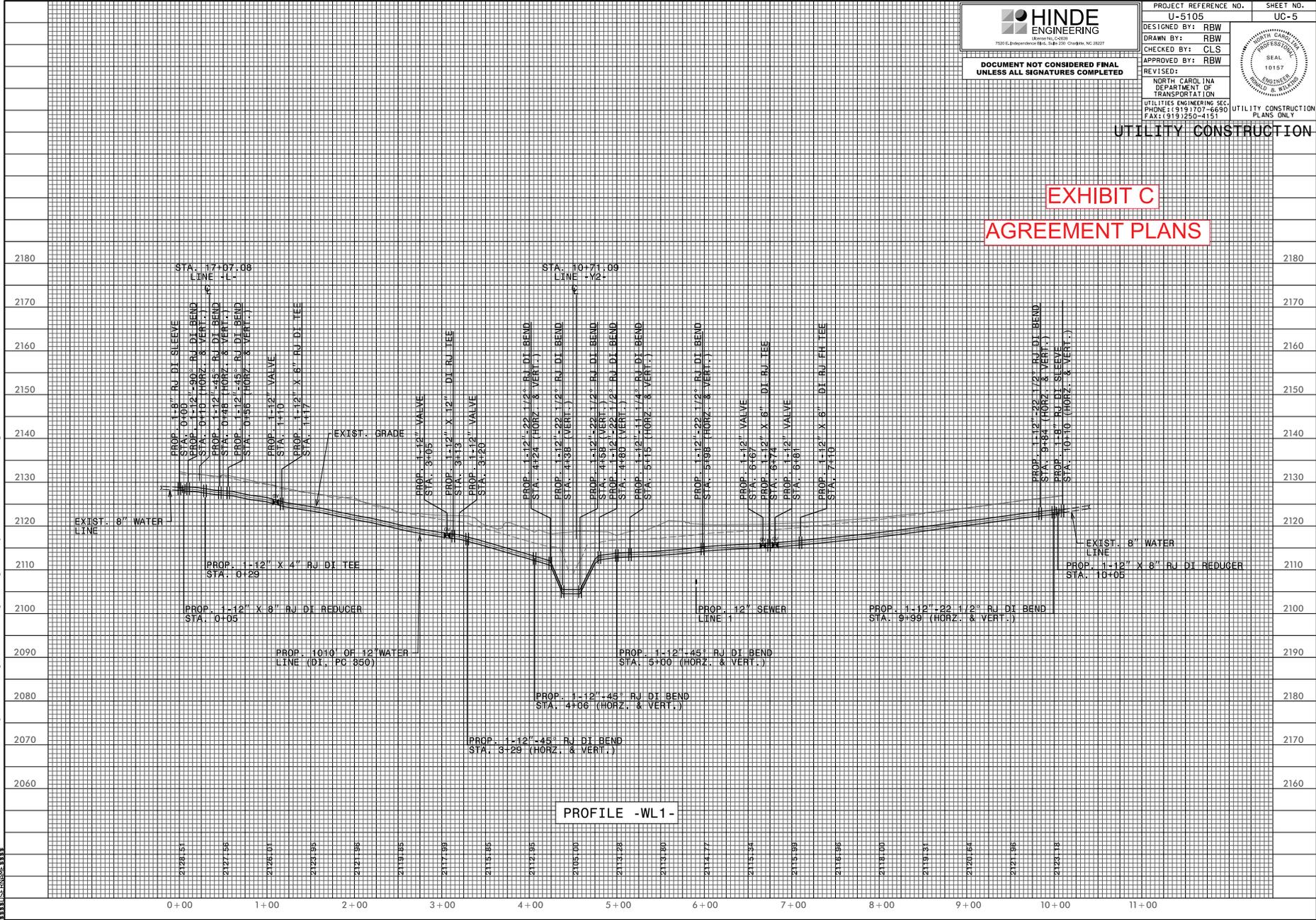
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NORTH CAROLINA DEPARTMENT OF TRANSPORTATION	
UTILITIES ENGINEERING SECTION	
PHONE: (919) 707-6690	
FAX: (919) 250-4151	



UTILITY CONSTRUCTION PLANS ONLY

EXHIBIT C
AGREEMENT PLANS

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PROFILE -WL1-

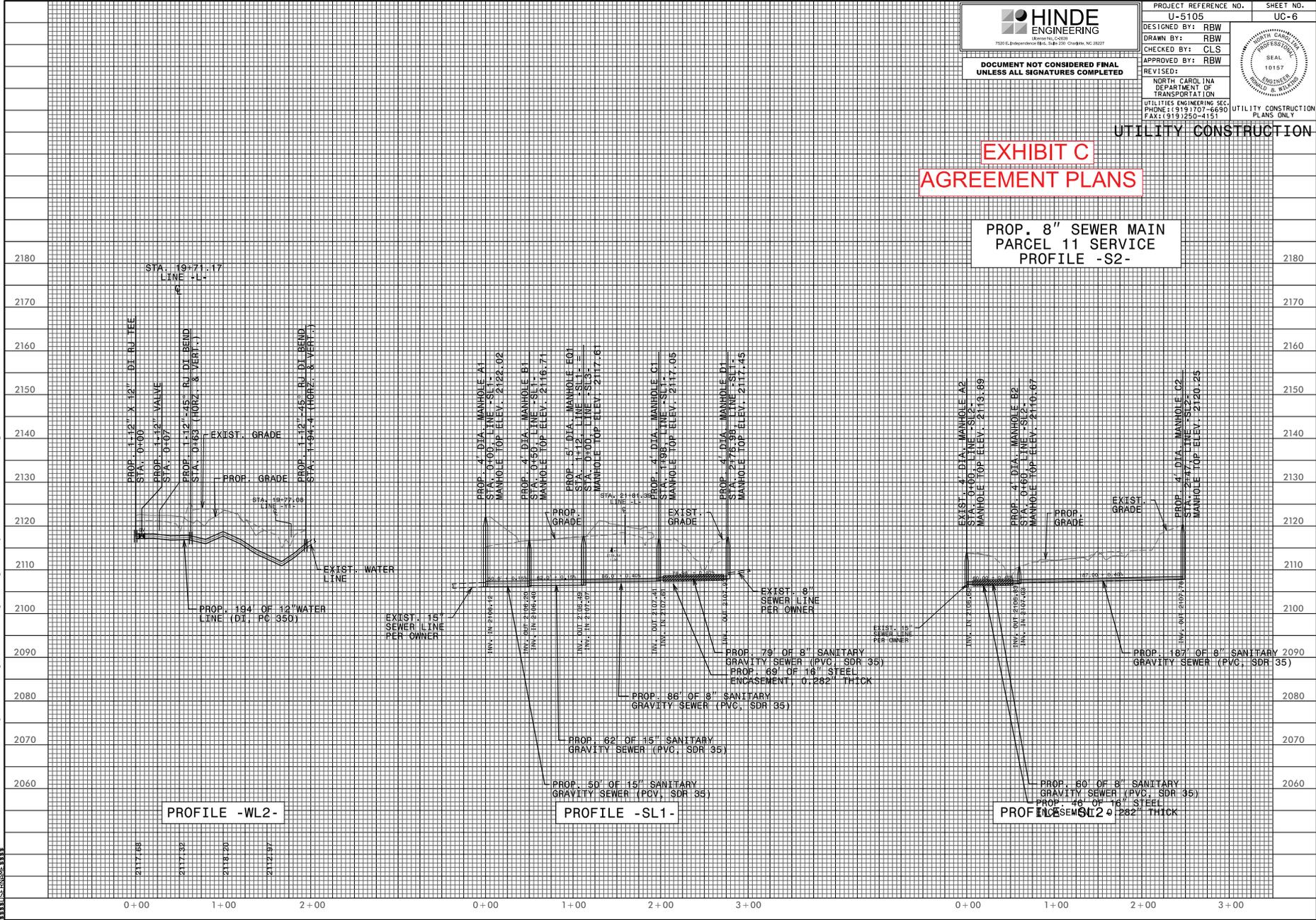


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APPROVED BY: RBW	
REVISED:	
NORTH CAROLINA DEPARTMENT OF TRANSPORTATION	
UTILITIES ENGINEERING SEC. PHONE: (919) 707-6690 FAX: (919) 250-4151	
UTILITY CONSTRUCTION PLANS ONLY	

EXHIBIT C
AGREEMENT PLANS

**PROP. 8" SEWER MAIN
PARCEL 11 SERVICE
PROFILE -S2-**

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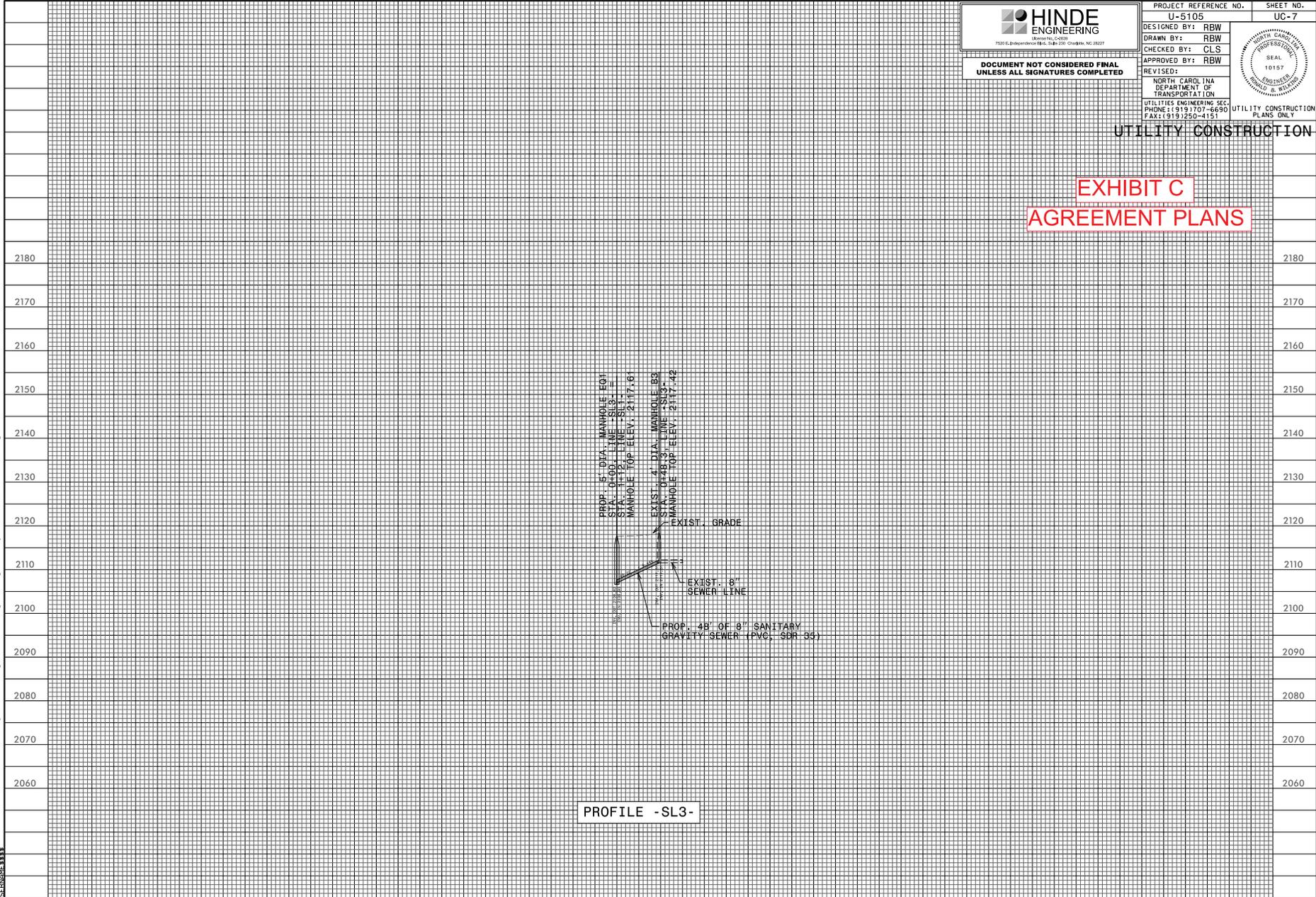


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APPROVED BY: RBW	
REVISED:	
NORTH CAROLINA DEPARTMENT OF TRANSPORTATION UTILITIES ENGINEERING SECTION PHONE: (919) 707-6690 FAX: (919) 250-4151	

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UNLESS ALL SIGNATURES COMPLETED**

UTILITY CONSTRUCTION
PLANS ONLY

**EXHIBIT C
AGREEMENT PLANS**



PROFILE -SL3-

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CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Brian Pahle

Department: Admin

Date Submitted: 05/22/18

Presenter: Brian Pahle

Date of Council Meeting to consider this item: 06/07/18

Nature of Item: Council Action

Summary of Information/Request:

Item # 05k

Capital Project Ordinance and Reimbursement Resolution for the 7th Avenue Streetscape, Phase I project to be approved in the FY18-19 budget.

The following ordinance provides a multi-year fund to account for the full cost of the project. The reimbursement resolution allows the City to provide funding for this project with the ability to reimburse itself with future proceeds from debt.

Budget Impact: \$ 1,400,000 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

New budget; total amounts detailed below.

Suggested Motion:

I move to approve the capital project ordinance and reimbursement resolution as presented.

Attachments:

See below...

**CAPITAL PROJECT ORDINANCE FOR
THE ACQUISITION, CONSTRUCTION AND INSTALLATION
OF THE 7TH AVENUE STREETScape PROJECT, PHASE I**

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 infrastructure project described as the 7th Avenue Streetscape Project, Phase I.

Section 2: The following amounts are appropriated for the project:

Account Number		Account Name	Total Budget
4530000	519000	Professional Services	\$ 219,591
4530000	559850	Construction Contract	\$ 1,170,409
4530000	599100	Contingencies	\$ 10,000
Total Project Appropriation			\$ 1,400,000

Section 3: The following revenues are anticipated to be available via debt proceeds and transfers from the General Fund for project expenses:

Account Number		Account Name	Total Budget
4530000	499100	Debt Proceeds	\$ 1,400,000
Total Project Revenue			\$ 1,400,000

Section 4: The Finance Director is hereby directed to maintain within the 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 General Fund and 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.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this seventh day of June, 2018.

Barbara G. Volk, Mayor

ATTEST:

Tammie K. Drake, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney

RESOLUTION OF INTENT

A RESOLUTION TO DECLARE THE OFFICIAL INTENT TO REIMBURSE FOR THE CAPITAL PROJECT ORDINANCE DESCRIBED AS THE 7TH AVENUE STREETScape PROJECT, PHASE I

WHEREAS, the Issuer anticipates incurring expenditures (the "Expenditures") for THE ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE 7TH AVENUE STREETScape PROJECT, PHASE I, ORDINANCE # _____ (the "Project"); and

WHEREAS, the The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes; and

WHEREAS, the maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is **\$1,400,000.00**; and

WHEREAS, 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.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that 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 and the undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

Barbara G. Volk, Mayor

ATTEST:

Tammie K. Drake, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Brian Pahle

Department: Admin

Date Submitted: 05/22/18

Presenter: Brian Pahle

Date of Council Meeting to consider this item: 06/07/18

Nature of Item: Council Action

Summary of Information/Request:

Item # 051

Capital Project Ordinance and Reimbursement Resolution for the Main Street Public Restrooms project to be approved in the FY18-19 budget.

The following ordinance provides a multi-year fund to account for the full cost of the project. The reimbursement resolution allows the City to provide funding for this project with the ability to reimburse itself with future proceeds from debt.

Budget Impact: \$ 800,000 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

New budget; total amounts detailed below.

Suggested Motion:

I move to approve the capital project ordinance and reimbursement resolution as presented.

Attachments:

See below...

**CAPITAL PROJECT ORDINANCE FOR
THE ACQUISITION, CONSTRUCTION AND INSTALLATION
OF THE MAIN STREET PUBLIC RESTROOMS PROJECT**

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 infrastructure project described as the Main Street Public Restrooms Project.

Section 2: The following amounts are appropriated for the project:

Account Number		Account Name	Total Budget
4540000	519000	Professional Services	\$ 30,800
4540000	557000	Land Acquisition	\$ 467,200
4540000	559850	Construction Contract	\$ 275,000
4540000	599100	Contingencies	\$ 27,000
Total Project Appropriation			\$ 800,000

Section 3: The following revenues are anticipated to be available via debt proceeds, contributions from outside agencies, and transfers from the Main Street MSD Fund for project expenses:

Account Number		Account Name	Total Budget
4540000	498207	Contribution from TDA	\$ 325,000
4540000	499100	Debt Proceeds	\$ 375,000
4540000	998020	Transfer in from Main St. MSD Fund	\$ 100,000
Total Project Revenue			\$ 800,000

Section 4: The Finance Director is hereby directed to maintain within the 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 Main Street MSD Fund and 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.

ADOPTED by the City Council of the City of Hendersonville, North Carolina, on this seventh day of June, 2018.

Barbara G. Volk, Mayor

ATTEST:

Tammie K. Drake, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney

RESOLUTION OF INTENT

A RESOLUTION TO DECLARE THE OFFICIAL INTENT TO REIMBURSE FOR THE CAPITAL PROJECT ORDINANCE DESCRIBED AS THE MAIN STREET PUBLIC RESTROOMS PROJECT

WHEREAS, the Issuer anticipates incurring expenditures (the "Expenditures") for THE ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE MAIN STREET PUBLIC RESTROOMS PROJECT, ORDINANCE # _____ (the "Project"); and

WHEREAS, the The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes; and

WHEREAS, the maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is **\$375,000.00**; and

WHEREAS, 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.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that 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 and the undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

Barbara G. Volk, Mayor

ATTEST:

Tammie K. Drake, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Adam Murr

Department: Admin

Date Submitted: 05/23/2018

Presenter: Adam Murr

Date of Council Meeting to consider this item: 06/07/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 05m

There is currently no policy governing the City's Debt Service Coverage Ratio. The Debt Service Coverage Ratio is an indicator of a government unit's capacity to cover day-to-day expenditures and payments on debt using operating revenue. Attached is the proposed Debt Service Coverage Ratio Policy that will guide debt issuance decisions.

Budget Impact: \$ 0 Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move to approve the resolution adopting the Debt Service Coverage Ratio Policy.

Attachments:

See below...

A RESOLUTION TO ADOPT THE DEBT SERVICE COVERAGE RATIO POLICY

WHEREAS, The Hendersonville City Council has not previously adopted a Debt Service Coverage Ratio Policy, and

WHEREAS, it is recognized that policies must evolve as the City, society, and technology evolve, and

WHEREAS, the addition of this policy will provide continuous improvement to the City of Hendersonville's practices and procedure relating to debt issuance, and

WHEREAS, the Debt Service Coverage Ratio Policy will guide the City's actions related to debt issuance, and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE THAT:

Section 1. The City Council hereby adopts the Debt Service Coverage Ratio Policy.

Section 2. This resolution shall become effective upon its adoption and approval.

Adopted this seventh day of June 2018.

ATTEST:

Tammie K. Drake, MMC, City Clerk

Barbara G. Volk, Mayor

	CITY OF HENDERSONVILLE		
Policy Name:	Debt Service Coverage Ratio Policy	Date Adopted by Council :	

I. Purpose

It is the policy of the City to provide and maintain numerous amenities, great public services, financial sustainability, economic vitality, strong partnerships, and sound infrastructure. To accomplish these goals, and strive for continuous improvement, the City desires to maintain a prudent level of operating and debt payment expenses guided by a Debt Service Coverage Ratio policy.

The purpose of this policy is to establish an appropriate Debt Service Coverage Ratio for the Water and Sewer Fund. The Debt Service Coverage Ratio measures the ability to pay for debt service and day-to-day expenditures using operating revenues. A Debt Service Coverage Ratio policy will guide the City of Hendersonville’s actions related to debt. Establishment of this policy will advance the City’s financial condition and provide parameters for the issuance of debt.

II. Definition

The University Of North Carolina School Of Government defines the Debt Service Coverage Ratio using the following formula. The City of Hendersonville adopts this measure as the appropriate calculation of the Debt Service Coverage Ratio:

$$= \frac{\text{Operating Revenues - Operating Expenses (Excluding Depreciation)}}{\text{Principal + Interest Payments on Long Term Debt}}$$

A ratio of less than 1.0 indicates revenues do not fully cover day-to-day expenditures and payments on principal and interest on debt. In general, this ratio should be at, or above 1.0. The State of North Carolina requires water and sewer systems, applying for state funds to expand or extend service, to achieve a ratio of greater than 1.0, with certain exceptions.

Often, debt issuances will include covenants requiring the Debt Service Coverage Ratio be maintained at a specified level. The City will consider these covenants in addition to the Debt Service Coverage Ratio policy. Should the City be held to a higher standard through a bond covenant, the City will seek to maintain the more stringent of the two ratios.

III. Management

1. The City of Hendersonville will strive to maintain a Debt Service Coverage Ratio between 1.0 and 1.5 as defined by the UNC School of Government’s measure.
2. The City of Hendersonville will consider how the Debt Service Coverage Ratio affects credit and/or bond ratings.

	CITY OF HENDERSONVILLE		
Policy Name:	Debt Service Coverage Ratio Policy	Date Adopted by Council :	

3. The City will employ proper management techniques for debt, making proactive efforts to identify and execute prudent refunding opportunities, and closely matching capital financing structures to the needs of the project(s).
4. The City will follow all agreed upon debt covenants.



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 05.31.18

Presenter: John Connet

Date of Council Meeting to consider this item: 06.07.18

Nature of Item: Presentation Only

Summary of Information/Request:

Item # 06

We would like to recognize the Public Works staff for their work on the Maple Street Project.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? ^{N/A} If no, describe how it will be funded.

Suggested Motion:

Attachments:



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Brian Pahle

Department: Admin

Date Submitted: 05/23/18

Presenter: John Connet

Date of Council Meeting to consider this item: 06/07/18

Nature of Item: Council Action

Summary of Information/Request:

Item # 07

The information contains the City Manager's recommended budget for the City of Hendersonville for the fiscal year 2018-19. The recommended budget is balanced in accordance with G.S. 159-8. The budget document and its preparation and adoption express the basic political values of the City. The Local Government Budget and Fiscal Control Act (LGBFCA) requires mandatory dates at which certain processes must be completed [G.S. 159-10-13].

The annual budget ordinance may be amended any time after its official adoption; however, the amendments cannot increase or decrease the tax levy or alter a taxpayer's liability unless the City is ordered to do so by the courts or an authorized State agency. Appropriations between departments or divisions within one fund, other than salaries, including contingency appropriations, may be transferred therein by the City Manager as long as the original total appropriated balance for the fund is not changed.

Upon adoption of a budget for FY18-19 a final approved budget document will be compiled, posted on the website and in the office of the City Clerk, and submitted to the Government Finance Officer's Association (GFOA) for consideration of the Distinguished Budget Presentation Award Program.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? ^{N/A} If no, describe how it will be funded.

Suggested Motion:

(CITY FUNDING SROS)

I move to adopt the Budget Ordinance, Capital Reserve Fund Ordinance, and Resolution of Intent as presented in attachment A.

(COUNTY FUNDING SROS)

I move to adopt the Budget Ordinance, Capital Reserve Fund Ordinance, and Resolution of Intent as presented in attachment B.

Attachments:

- Attachment A - City Funding SROs
- Attachment B - County Funding SROs

CITY OF HENDERSONVILLE

RECOMMENDED BUDGET

FISCAL YEAR 2018-19



SUBMITTED AND FILED IN THE CLERK'S OFFICE
MAY 23rd, 2018

Cover _____

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Capital Improvement Plan – Summary _____ 69

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The purpose of the *Budget Guide* is to introduce readers to the budget document and processes, assisting in the reader’s understanding of the information contained throughout. The Local Government Budget and Fiscal Control Act (LGBFCA) defines the annual budget as “a proposed plan for raising and spending money for specified programs, functions, activities, or objectives during a fiscal year” [G.S. 159-7(b)(1)]. The *Budget Guide* will briefly describe the sections contained within the budget document, explain the budget process, explain how to read charts and graphs and interpret numbers, as well as how to understand the effects of inflation. Note that sample charts and tables do not reflect accurate financial information for the City of Hendersonville.



The Budget Document

This annual budget provides local officials an opportunity to review and evaluate programs and services. During most of the year, local officials are hard pressed to maintain day-to-day duties and may not have time to evaluate how efficiently and effectively a particular program is achieving its established goals. Even if no changes are made, the City of Hendersonville benefits from the overview of programs and enhances perspective for decisions that must be made every day. The budget document for FY18-19 consists of eight major sections: Introduction, Community and Organizational Profile, Financial Summaries, General Fund, Enterprise Funds, Other Funds, Capital Improvements Plan, and Supplemental Information.

Budget Message & Ordinance

The Budget Message is a letter from the City Manager to the City Council that provides an overview of the upcoming fiscal year budget and how it fits with the City Council's priorities. This message should introduce and summarize the budget document, including issues facing the development of the budget, significant budgetary items and trends, and the budgetary effect on short and long-term plans. General Statute 159-11(b) states that the message should include the following:

- a concise explanation of the governmental goals fixed by the budget for the budget year,
- important features of the activities anticipated by the budget,
- reasons for stated changes from the previous year in program goals, programs, and appropriation levels
- any major changes in fiscal policy

The Budget Ordinance is a statute, legally adopted by the City Council to set spending limits for the coming fiscal year, which runs from July 1 to June 30. The Budget Ordinance also establishes the Capital Improvement Plan, Pay and Classification Schedule, and Fee Schedule set for the coming fiscal year.

Community and Organization Profile

This section of the budget document highlights general information about the Hendersonville community including historical, geographical, demographic, and economic features. Within the organizational profile, the reader will find information about the City's governmental structure and the financial policies and management systems that guide the budget process.

Financial Summaries

The Financial Summaries section provides a summary of revenues, expenditures, fund balance, and debt obligation for the City of Hendersonville's funds. Information provided in both numerical and narrative format increases the reader's ability to determine how much money each fund is spending and generating.



A fund is an independent fiscal and accounting entity. Funds make it easier to keep track of accounts that operate similar types of activity and share the same set of accounting records. The City of Hendersonville operates two major funds, the General Fund and the Water and Sewer Fund and a variety of other non-major governmental funds.

General Fund

The General Fund accounts for all governmental services that do not generate sufficient revenue to support their activities, such as general government, public safety, and public works. The reader will find information on each department, including a description of the department's purpose, prior fiscal year accomplishments, coming fiscal year initiatives, budget highlights, budget trends, personnel counts, and performance measures.

Enterprise Funds

The Water and Sewer Fund is an enterprise fund, which means it operates as a public enterprise. Public enterprises generate funding through user charges and most are self-supporting. User charges refer to charges applied to those who voluntarily use or receive certain government services or facilities. City customers pay fees for water consumption and sewer usage to cover the cost of water distribution and wastewater treatment. The City is permitted by law to charge higher rates for customers outside their boundaries; such higher rates are common. The rates established by the Water and Sewer Fund are not subject to regulation by the State Utilities Commission. Additionally, the City operates an Environmental Services Fund. This is an enterprise fund that provides sanitation and stormwater services. The Fund is self-supporting, utilizing a base charge and other user fees.

Other Funds

The City of Hendersonville has a variety of other funds including the Main Street Tax District Fund, the Historic Seventh Avenue Tax District Fund, Health and Welfare Fund, Capital Reserve Fund, and a variety of other special revenue funds. Each fund accounts for revenues and expenditures associated with a special function or area.

Each fund consists of individual line items that represent specific expenditures and revenues. Examples of line item expenditures include, but are not limited to, salaries, insurance, maintenance and repair, supplies, and capital outlay. Examples of line item revenues include, but are not limited to, property tax revenues, sales tax revenues, grants, and fees. Line items are the most detailed way to list budgeted expenditure and revenue information.

Capital Improvement Plan (CIP)

A Capital Improvement Plan (CIP) is the center of planning for capital projects and acquisitions and is the basis for implementing and authorizing projects. This document is a central element in the financial planning of a city or county. The CIP is a multiyear forecast detailing major capital infrastructure, building and equipment needs, the appropriations needed to satisfy those needs, the sources of financing for specified projects, and the impact the projects will have on the



organization. The CIP is a repeatable annual process, commonly reevaluating and including new capital requests, for not all capital needs can be recognized five to six years out.

Supplemental Information

This section contains other financial information about the City of Hendersonville, a glossary of terms used throughout the document, and other pertinent City information, such as personnel listings and summary information.



The Budget Process

In accordance with the Local Government Budget and Fiscal Control Act (LGBFCA), the budget document for fiscal year ending June 30, 2019, meets the balanced budget and inclusiveness requirements. The inclusiveness requirements means the City may only spend moneys that have been budgeted [G.S. 159-8(a)]. The balanced budget requirement means that any budget ordinance, project ordinance, financial plan, or internal service fund must balance. General Statute 159-8(a) defines a balanced budget as “the sum of estimated net revenues and appropriated fund balances is equal to the appropriations.” A final legal limit on this budget document is G.S. 159-15, addressing a local government’s ability to set a property tax levy and the regulations regarding that levy. Whether this budget is used primarily as a planning vehicle or as a means of reaching political agreement about budgetary policies, this document adheres to the three legal limits listed above and follows a process provided by the LGBFCA.

There are three general stages of budget preparation and enactment including departmental formulation of expenditure requests and revenue estimates, preparation of a recommended budget document by the budget officer, and review and enactment of the annual budget ordinance by the respective governing body.

At the start of the budgeting process, it is common for the budget officer to produce a budget calendar, detailing the dates by which each stage in the annual budget process is to be completed. The LGBFCA requires mandatory dates at which certain processes must be completed [G.S. 159-10-13]. Departmental requests must be submitted to the budget officer before April 30. A recommended budget must be given to the governing body no later than June 1, and the governing body must enact the budget ordinance at the start of the fiscal year, July 1.



The following is a copy of the City of Hendersonville’s proposed Budget Calendar for FY 2019:

City of Hendersonville Budget Calendar FY18-19		
Budget Procedure	Legally Required Date	Projected Date
<input type="checkbox"/> Distribute CIP Requests		10/13/17
<input type="checkbox"/> Department Head Retreat		11/03/17
<input type="checkbox"/> CIP Requests Due		12/01/17
<input type="checkbox"/> CIP Meetings with Department Heads		December-January
<input type="checkbox"/> Distribute Budget Request Forms		01/05/18
<input type="checkbox"/> Budget Request Forms Due	Before 04/30/18	02/09/18
<input type="checkbox"/> Establish Prelim. Rev./Exp. Estimates		02/12/18 – 02/16/18
<input type="checkbox"/> Council Retreat/Budget Preview		02/08/18 – 02/09/18
<input type="checkbox"/> Special Appropriations Due		02/23/18
<input type="checkbox"/> Prelim. Budget Review Meeting (Admin. & Finance)		03/01/18 – 03/02/18
<input type="checkbox"/> Meetings with Department Heads		03/05/18 – 03/23/18
<input type="checkbox"/> Revised Rev./Exp. Estimates		03/30/18
<input type="checkbox"/> Budget Review & Adjustments		April
<input type="checkbox"/> Budget Memos		April
<input type="checkbox"/> Budget Workshop		05/04/18
<input type="checkbox"/> Public Notice of Budget Hearing	By 06/01/18	05/23/18
<input type="checkbox"/> Turn in Budget to City Council/City Clerk	By 06/01/18	05/23/18
<input type="checkbox"/> Public Budget Hearing/Adopt Budget Ordinance	By 07/01/18	06/07/18



Upon submission of the annual budget document, the governing body must schedule a public hearing, detailing that a budget has been submitted and that copies are available for public inspection [G.S. 159-12(b)]. The notice will provide the time, date, and place of the budget hearing. The City of Hendersonville strives to provide ample time between notice and the hearing date in order to provide the public an opportunity to attend the hearing. These strong public participation practices will improve the City's responsiveness and accountability. Stakeholder input throughout the planning and budgeting process is highly recommended by the National Advisory Council on State and Local Budgeting Recommended Budget Practices.

Several legal provisions apply to the governing body review and adoption of the Budget Ordinance. First, ten days must elapse between submission of the budget and adoption of the Budget Ordinance [G.S. 159-13(a)]. Also, the governing body may conduct its review in both special and regular meetings. Open meetings laws (see G.S. 143-318.12) apply to the aforementioned situations, each board member must be notified of said meetings, and only budget matter may be discussed during said meetings (G.S. 159-17). There is no provision allowing for closed sessions for the local budget process.

Another process in budget preparation and enactment is amending the budget. A policy statement detailing the procedures required in amending the budget is found in the *Community & Organization Profile* section of this document. A budget may need to be amended because revenue forecasts are developed months in advance of the fiscal year, these revenue collections may deviate, and expenditures and emergencies may arise requiring extra funding. A policy should specify the exact circumstances under which the legislative body may amend the budget. Most budget amendments follow the same deliberative process: the Manager first proposes a package of amendments and the full Council then considers and acts upon the proposal.

Finally, the budget is enacted upon official adoption of the Budget Ordinance, not later than July 1st. If the budget is not adopted, then G.S. 159-16 requires that an interim budget be adopted. The purpose of an interim budget is to ensure normal operations continue without any changes in program funding. Upon adoption of the Budget Ordinance, G.S. 159-13(d) requires the budget be entered into governing body's minutes within five days of adoption.



Reading the Budget Document

The budget document contains an abundance of diverse and valuable information. The hefty amount of numbers and information can make navigating and deciphering the document a difficult task for any reader. This section is meant to assist the reader in understanding the data presented and other supplemental information.

Sections of the budget are identified in the top right corner of each page. These headings identify the subject, fund, department, or division being discussed and assist the reader in locating the information for which they are looking. Within each section, bold and underlined headings identify major topics related to that section. Under these headings, the reader may find written information as well as information presented in table or chart form. The document highlights other important terms and categories by identifying them in bold or italic. This document also provides a glossary of terms located in the *Supplemental Information* section located at the end of this document.

Interpreting Tables & Charts

The budget document uses tables and charts to provide visual representations of data. The tables and charts allow readers to easily compare funds and departments as well as observe historical trends. Most sections contain tables and charts similar to the examples depicted in this section. The diagrams identify the major characteristics of each table and chart and explain what information the reader can find.



The following are examples of summary tables which a reader may encounter in reading this budget document (all data is fictional):

Description	2014	2015	2016	DOLLAR CHANGE
	ACTUAL	REVISED BUD	ADOPTED	
Governing Body				
Personnel	\$ 49,757.50	\$ 28,123.76	\$ 27,012.00	\$(1,111.76)
Operating	\$ 35,092.51	\$ 48,529.00	\$ 67,018.00	\$18,489.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
<i>Sub-Total</i>	\$ 84,850.01	\$ 76,652.76	\$ 94,030.00	\$17,377.24

Prior year actual budget data from audit reports

Current year budget, including amendments

Adopted budget for the upcoming year

Includes salaries, FICA costs, insurance, 401k, & retirement costs

Includes all items not associated with personnel, benefits, or capital such as utilities, dues, phone, supplies, etc...

Description	2014	2015	2016	DOLLAR CHANGE
	ACTUAL	REVISED BUD	ADOPTED	
Governing Body				
Personnel	\$ 49,757.50	\$ 28,123.76	\$ 27,012.00	\$(1,111.76)
Operating	\$ 35,092.51	\$ 48,529.00	\$ 67,018.00	\$18,489.00
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Debt Service	\$ -	\$ -	\$ -	\$ -
<i>Sub-Total</i>	\$ 84,850.01	\$ 76,652.76	\$ 94,030.00	\$17,377.24

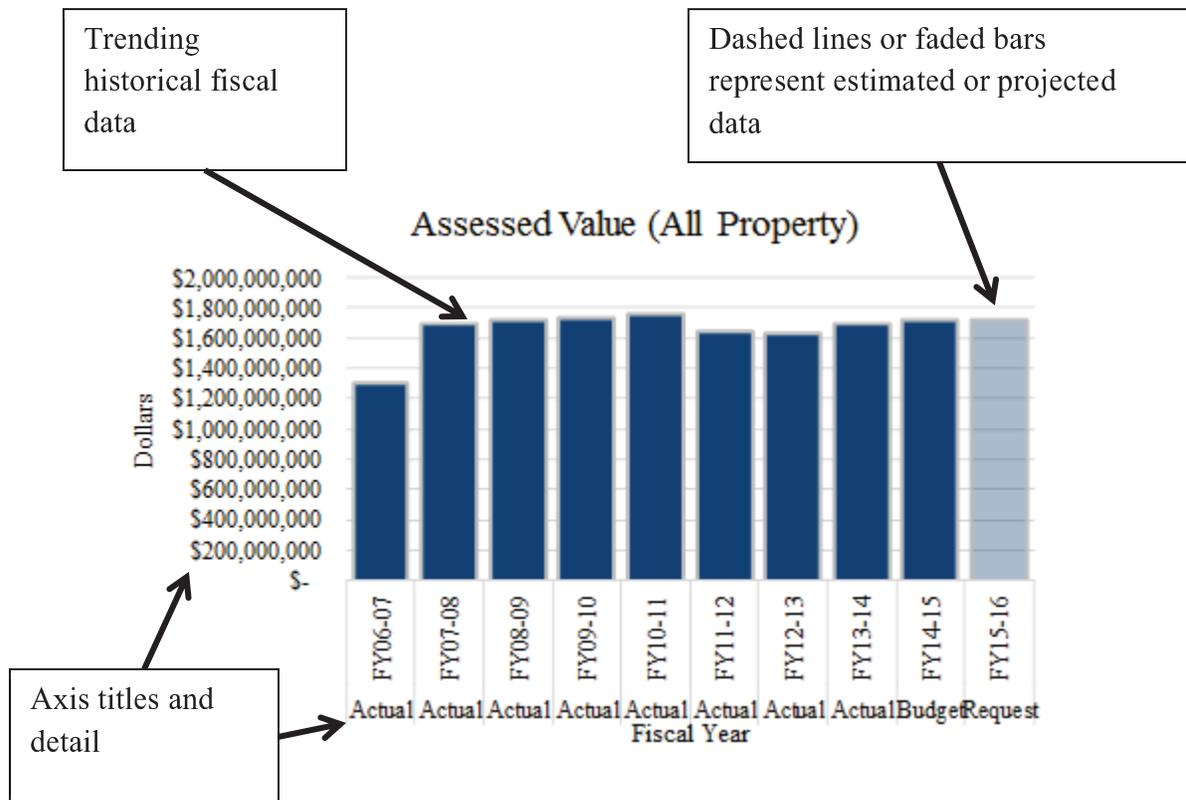
Includes capital items such as land, vehicles, equipment, etc...

Includes annual debt service payments

Change between current year and adopted budgets



The following is an example of a historical chart which a reader may encounter in reading this budget document (all data is fictional):



Performance Budgeting

Performance measurement is the creation of criteria for reporting the quality or quantity of performance by a specific individual or organization. In response to heightened public scrutiny and pressure for increased service quality, the public sector has seen an equal increase in performance measurement initiatives. A good set of performance measures will reveal how efficiently a given service was rendered, at what level of quality it was delivered, and what effect it is having on the recipients of the service and the community as a whole. The following is a list of some of the advantages of engaging in performance measurement:

- ✓ Accountability/communication
- ✓ Support of planning/budgeting efforts
- ✓ Catalyst for improved operations
- ✓ Program evaluation
- ✓ Reallocation of resources
- ✓ Directing operations
- ✓ Contract monitoring
- ✓ Benchmarking



The City of Hendersonville is fully aware that without considerable thought and planning a performance measurement initiative can produce externalities, or unwanted/anticipated results. For example, say the City adopts a *tons of asphalt used per employee* performance measure. If not monitored and communicated effectively, then the City may experience employees digging cutouts wider and deeper than necessary (i.e., using more asphalt) to “improve” their performance ratings. The overall implication of any performance measurement is that managers and supervisors can select the appropriate measure by narrowly defining the function they want to know more about and effectively communicating the purpose to which they want to put that information. A reader will find a *Performance Budgeting* section in the City’s budget which will further detail the growing initiative.

Current Dollars, Constant Dollars, and Inflation Comparisons

Comparing the amount of revenues received or expenditures spent by a local government one year to the amount received or spent in another year can be misleading. Although the more recent number may be large, it might represent resources with less buying or spending power than the smaller figure from an earlier year. This is the result of market inflation. So, steadily increasing expenditures may be more attributable to inflation rather than loss of efficiency or service expansion. Meaningful comparisons can be made possible by controlling for inflation and converting current dollars to constant dollars. Comparisons can also be seen by converting revenue and expenditure numbers to an index.

The saying “a dollar doesn’t go as far as it used to,” is exactly right. Now consider this in the case of current dollars and constant dollars. First, current dollars are those dollars that are represented in financial statements. They are real and represent the actual spending that year. Constant dollars are a conversion of the current dollars, controlling for the effects of inflation. So, a current dollar is \$1.00; however, a constant dollar may be worth \$0.85. This conversion is done using a price index. There are two good indexes that provide representative effects of inflation. They are the Consumer Price Index (CPI) and the Implicit Price Deflator (IPD); this document utilizes the CPI. It is important to remember that these gauges are not perfect but do provide more meaningful values for comparisons.

The formula to calculate constant dollars is as follows:

To start, one must take their index (in this case the CPI) and convert it to 100.0 for the base year. The 100.0 base essentially represents a starting point for comparison. Imagine that this base value represents 0% change in inflation.



This is calculated by taking the CPI index current year and dividing it by the base year, then multiplying that by 100:

$$[(\text{CPI Current Year} = 123.3) / (\text{CPI Base Year} = 123.3)] * 100 = \text{CPI Index } 100.0$$

Or

$$(123.3 / 123.3) * 100 = 100.0$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

Next, one must find the deescalating rate or percent of dollar value. This calculated value is the effective spending power of a dollar shown as a percent. So, if in year three the value is “93%,” then a dollar (\$1.00) is worth 93% (\$0.93) of what it was in year one. This is calculated by taking the CPI Index base year, subtracting it from the CPI Index current year, adding the CPI Index base year, and dividing it all by 100:

$$[(\text{CPI Index base year} = 100.0) - (\text{CPI Index current year} = 112.6) + (\text{CPI Index base year} = 100.0)] / 100 = \text{Deescalating Percent } 93\%$$

Or

$$(100.0 - 112.6 + 100.0) / 100 = 93\%$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
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CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8



Next, one must convert the current revenues to effective revenues. This shows the actual spending level for an organization, controlling for inflation. This is done by multiplying the current revenues by the deescalating percent:

$$(\text{Revenues} = \$11,904,221) * (\text{Deescalating Percent} = 87\%) = \text{Effective Revenues } \$10,407,746$$

Or

$$\$11,904,221 * 87\% = \$10,407,746$$

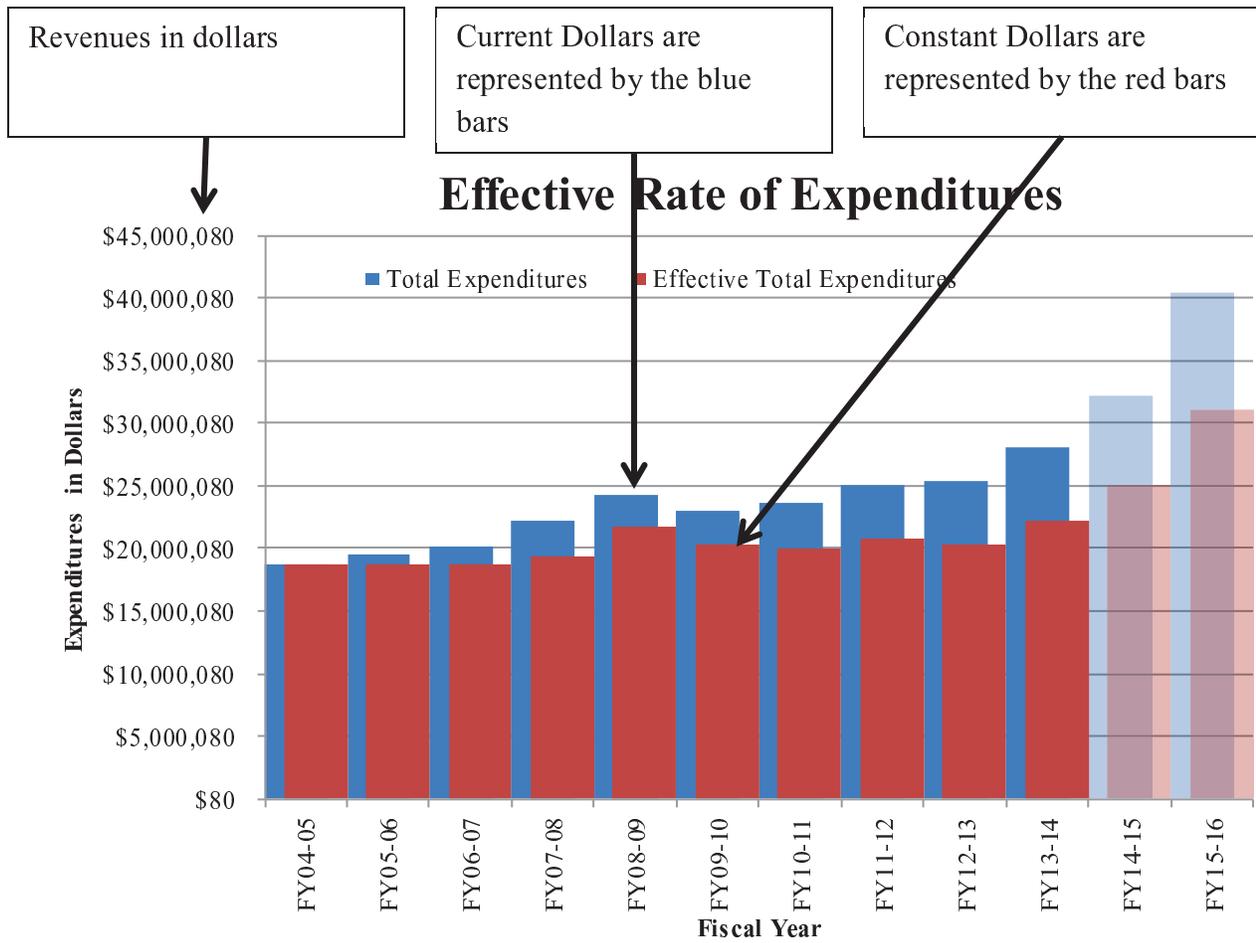
INFLATION COMPARISON EXAMPLE

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CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

With this calculation you can view the effective revenues compared to the actual revenues which is presented in an example on the next page.



Below is an example of charts found throughout this document:



In addition to the revenue comparison, one can look at the percent differences which is presented with an index.



The steps to calculating the index are as follows:

This step requires the individual to convert the actual revenues into an index. By doing so, one can then compare the CPI Index with the General Fund Index and see if the organization has kept pace with the rate of inflation in the market. This is calculated by dividing actual revenues current year by actual revenues base year, then multiplying that by 100:

$$[(\text{Actual Revenues Current Year} = \mathbf{\$11,904,221}) / (\text{Actual Revenues Base Year} = \mathbf{\$10,643,142})] * 100 = \text{General Fund Revenues Index } \mathbf{111.8}$$

Or

$$(\mathbf{\$11,906,221} / \mathbf{\$10,643,142}) * 100 = \mathbf{111.8}$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
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CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

By using the same steps for calculating the deescalating percent for the CPI, one can calculate the deescalating percent for the General Fund. With these two deescalating percent's and indexes a reader has two options to view the effects of inflation.

Let's look at what can be observed:

Difference between GF and CPI shown as a percent

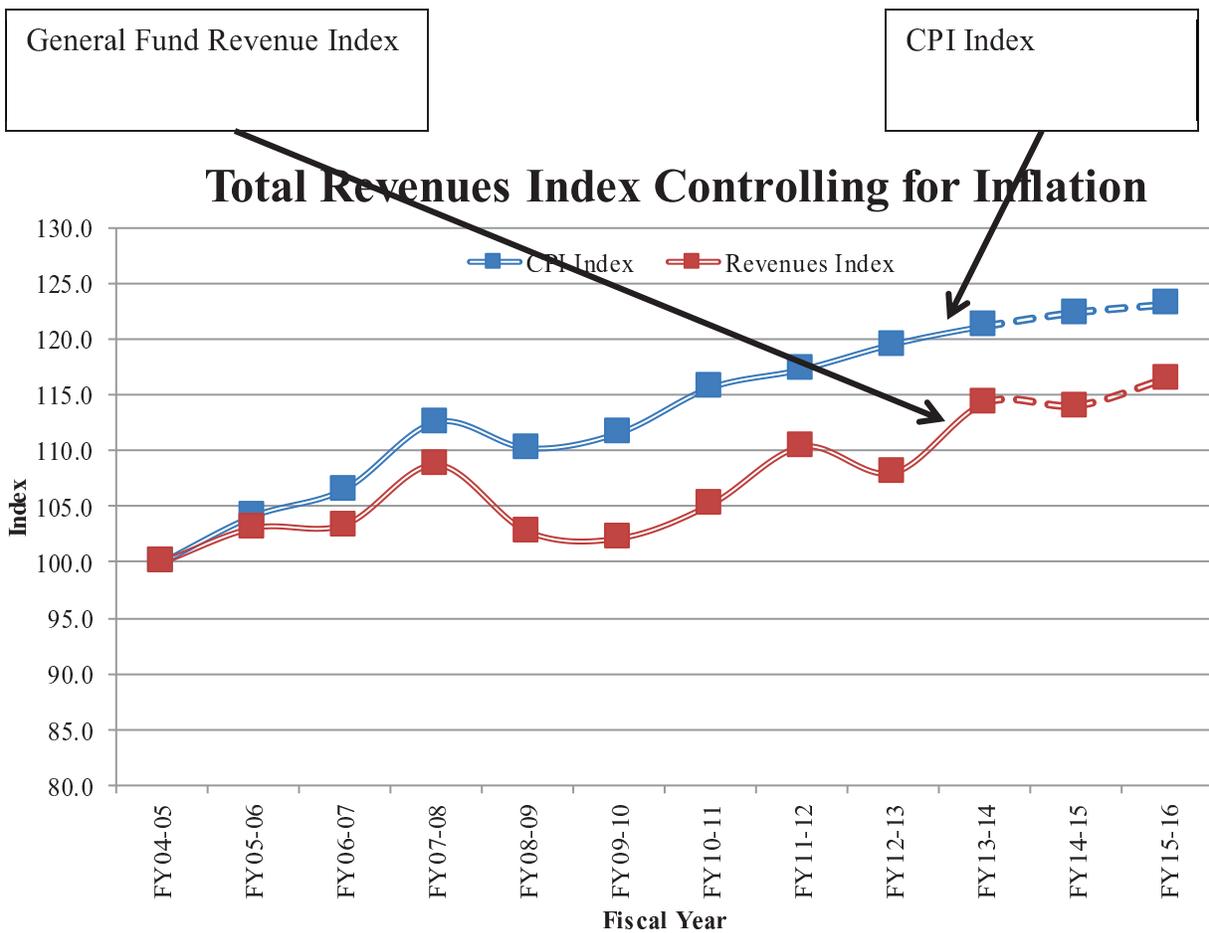
INFLATION COMPARISON EXAMPLE

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Difference between GF and CPI shown as an index



The following is an example of charts found throughout this document:



This chart represents a wealth of information. To start, one can identify the rate of inflation detailed by the “CPI Index” or the blue line. Also, one can identify the rate of general fund revenues detailed by the “GF Index” or the red line. This chart shows that the organization maintained revenue generation equal to or close to that of the CPI for the first three to four years. However, in year five one can see that the organization’s revenue generation dropped dramatically. This can be due to a variety of variables, however what it tells the reader is that the organization’s revenues are no longer keeping pace with inflation. The organization essentially has less buying power.

This type of information can be very useful when realizing actual dollar values. The value of a dollar has increased quite a bit in the past ten years, and it is important for municipalities to convey these effects in their budget documents. This information is also useful in justifying employee wage changes, adjustments in multi-year service contracts, and understanding actual costs of vehicles and equipment.



CITY COUNCIL:
BARBARA G. VOLK
Mayor
RON STEPHENS
Mayor Pro Tem
STEVE CARAKER
JERRY A. SMITH, JR.
JEFF MILLER

CITY OF HENDERSONVILLE

The City of Four Seasons

OFFICE OF THE CITY MANAGER
JOHN F. CONNET

OFFICERS:
JOHN F. CONNET
City Manager
SAMUEL H. FRITSCHNER
City Attorney
TAMMIE K. DRAKE
City Clerk

May 23rd, 2018

The Honorable Barbara G. Volk, Mayor
Members of the City Council
Hendersonville, North Carolina

Dear Mayor Volk and Members of the City Council,

Pursuant to section 159-11 of the North Carolina General Statutes, I am pleased to present the recommended budget for Fiscal Year (FY) 2018-2019 for your review and consideration.

The FY18-19 Budget is based upon information presented and discussed during our City Council/Staff Retreat on February 8th – 9th, 2018. In addition, the City Council attended a formal Budget Workshop on May 4th, 2018. These meetings provided an avenue for priority setting, fact finding, and general inquiries regarding the City's Budget for FY18-19.

The City maintains six focus areas, provided as follows:

Economic Vitality: Hendersonville is a good place for all business and promotes policies that encourage growth in all areas of our City.

Strong Partnerships: Hendersonville will develop strong partnerships with residents, businesses, other local governments, non-profits and visitors to ensure there is effective two-way communication and effective interaction with City Departments.

Sound Infrastructure: Hendersonville will construct and maintain efficient and accessible roadway, sidewalk, and greenway systems to extend internal and regional connectivity.

Hendersonville will provide high quality water and wastewater services while protecting natural resources and ensuring capacity for sustainable growth.

Numerous Amenities: Hendersonville will advance the beauty, diversity, and well-being of Hendersonville by supporting the community's ability to provide an array of educational, recreational, and cultural activities, events, and programs for residents and visitors of all ages, abilities, and interests.

Great Public Services: Hendersonville will provide high quality public services by utilizing excellent customer service to enhance the safety, health, and quality life for our citizens and visitors.



Financial Sustainability: Support fiscal policies and controls that ensure the long-term financial health of the City and enable it to respond to unforeseen challenges and opportunities.

Promote responsible management of public resources to ensure efficient and effective delivery of quality services.

At the 2017 Council Retreat we reviewed many of the City’s prior year accomplishments. Below is the graphic of the wall charts of successes reviewed at the Retreat:



We look to continue to enhance our programs and services in this budget for fiscal year 2018-19. We plan to review our accomplishments and conduct this exercise again in FY20-21.

Additionally, the City Council expanded on their priorities as they related to these focus areas for the next 5 years. These priority areas were broken into three categories, facilities, parks, and



infrastructure. As we pursue these priorities we will continue to be cognizant of the operating impacts they have on personnel and service delivery/quality throughout the City. The priorities are listed below:

Facilities

1-2 Year Priorities

- Police station
- Public restroom
- Other buildings (building/parks maintenance, water/sewer equipment shed, etc...)
- Begin to explore fire station 3
- Explore renovation options for fire station 1

3-5 Year Priorities

- Customer service renovations
- Parking (deck and surface lots) secure locations

Parks

1-2 Year Priorities

- Whitmire building (parking lot, bridge replacement, flooring)
- Berkeley Mills Park Master Plan (parking, playground, restrooms) – Explore raising private funds
- Expanding parking lot at greenway

3-5 Year Priorities

- Greenways; Other parks

Infrastructure

1-2 Year Priorities

- Streetscape – 7th Avenue (do in phases)
- Streetscape – Main Street Avenues (phase it in)
- Urban Redevelopment Area (URA)
- Streetscape – Main to Grove (if a hotel developer redevelops the Mill property)
- Highway 64 Maintenance (explore costs and feasibility)
- Other Streetscapes
- Water and Sewer Major Projects
- Wastewater Master Plan

3-5 Year Priorities

- Streetscape – 7th to 4th

These priorities guided decision making in this budget process and were reviewed again at our Council/Staff Retreat in February. This information will be discussed further in the *Community and Organization Profile* section of this document.

The following budget message contains an overview of all budgeted funds for FY18-19.



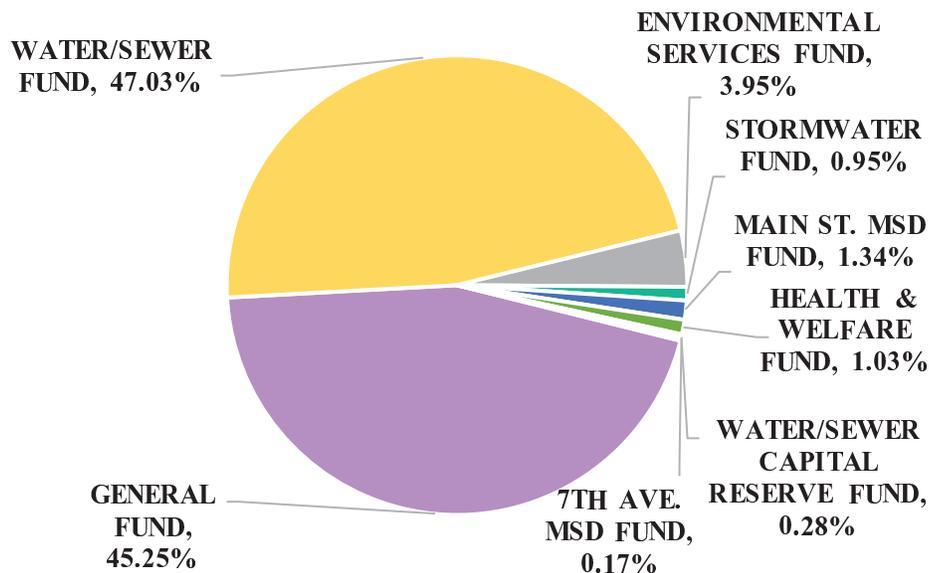
Introduction

The following document contains the City Manager’s final recommendation for the City’s Budget for FY18-19. This budget includes seventeen (17) governmental and proprietary funds. The table below presents the budget for each City major fund and the total budget in balance:

TOTAL BUDGET OVERVIEW FY18-19

FUND	EXPENDITURES	REVENUES	FUND BALANCE APPROP.
GENERAL FUND	\$ 16,011,666	\$ (15,399,666)	\$ (612,000)
WATER/SEWER FUND	16,639,133	(16,167,196)	(471,937)
ENVIRONMENTAL SERVICES FUND	1,398,377	(1,200,200)	(198,177)
MAIN ST. MSD FUND	475,057	(475,057)	-
STORMWATER FUND	337,274	(327,500)	(9,774)
HEALTH & WELFARE FUND	362,885	(362,885)	-
WATER/SEWER CAPITAL RESERVE FUND	100,000	(100,000)	-
7TH AVE. MSD FUND	59,083	(59,083)	-
POLICE - STATE DRUG FORFEITURES FUND	50,000	-	(50,000)
HISTORIC PRESERVATION COMMISSION FUND	15,000	-	(15,000)
POLICE - KENNEL CLUB FUND	7,500	-	(7,500)
POLICE - NEEDY PERSONS FUND	7,500	-	(7,500)
POLICE - FEDERAL DRUG FORFEITURES FUND	5,000	-	(5,000)
WALK OF FAME FUND	4,000	-	(4,000)
FIRE - COMMUNITY FUND	2,000	-	(2,000)
POLICE - MOTOR UNIT FUND	1,000	-	(1,000)
POLICE - RAD FUND	1,000	-	(1,000)
SUB-TOTAL	\$ 35,476,475	\$ (34,091,587)	\$ (1,384,888)
TOTALS IN BALANCE	\$ 35,476,475	\$ (35,476,475)	

The chart below presents each major fund (over \$50,000) as a percent of total expenditures:



General Fund

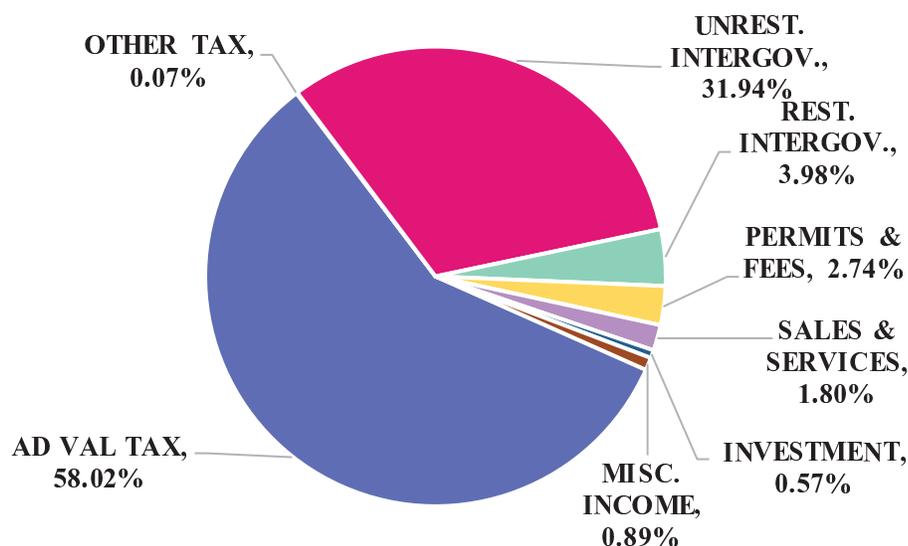
The General Fund is the primary fund in terms of the operating budget. It is “general” because any transaction that cannot be accounted for in another fund must be recorded in the General Fund. The General Fund Budget totals **\$16,011,666** for FY18-19.

General Fund – Revenues

The following section will detail the City’s operating revenues for the General Fund. The total budget for General Fund revenues, excluding “Other Financing Sources”, is **\$14,754,666**. The table below details the City’s General Fund operating revenues by source for FY18-19:

GENERAL FUND REVENUES						*Based on Budget*	
REVENUE SOURCE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE	
AD VAL TAX	\$ (8,147,201)	\$ (8,285,703)	\$ (8,559,971)	\$ (8,705,491)	\$ (412,770)	5.07%	
OTHER TAX	(11,800)	(12,001)	(11,000)	(11,187)	800	-6.78%	
UNREST. INTERGOV.	(4,559,925)	(4,637,444)	(4,712,425)	(4,792,536)	(152,500)	3.34%	
REST. INTERGOV.	(590,597)	(600,637)	(586,520)	(596,491)	4,077	-0.69%	
PERMITS & FEES	(251,900)	(256,182)	(403,900)	(410,766)	(152,000)	60.34%	
SALES & SERVICES	(408,300)	(415,241)	(266,250)	(270,776)	142,050	-34.79%	
INVESTMENT	(83,600)	(85,021)	(83,600)	(85,021)	-	0.00%	
MISC. INCOME	(153,582)	(156,193)	(131,000)	(133,227)	22,582	-14.70%	
SUB-TOTAL	\$ (14,206,905)	\$ (14,448,422)	\$ (14,754,666)	\$ (15,005,495)	\$ (547,761)	3.86%	
OTHER FINANCING SOURCES	\$ (1,138,630)	\$ (426,389)	\$ (1,257,000)	\$ (509,809)	\$ (118,370)	10.40%	
NET TOTAL	\$ (15,345,535)	\$ (14,874,811)	\$ (16,011,666)	\$ (15,515,304)	\$ (666,131)	4.34%	

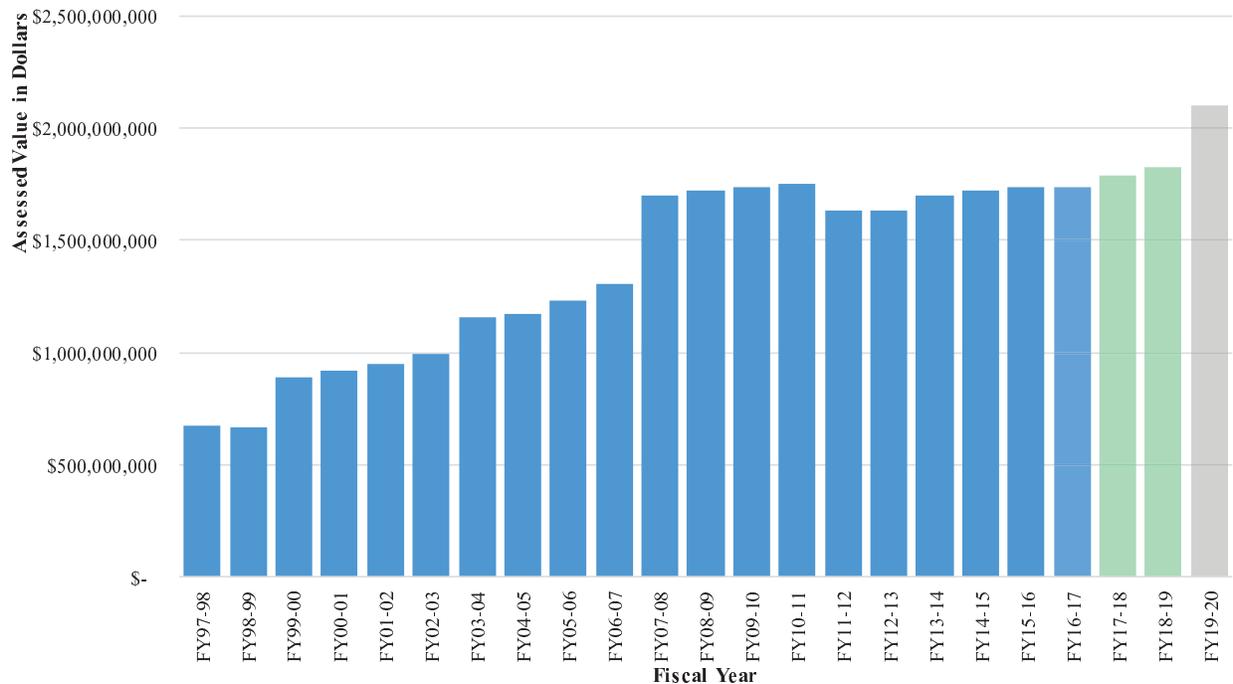
The chart below presents each source as a percent of total budgeted revenues for FY18-19:



Ad Valorem Tax: Ad valorem taxes encompass the largest portion of the General Fund revenues. These are the most controllable revenues in the City budget. This is not a revaluation year for the City and staff is estimating a **5.07%** increase in ad valorem taxes. The recommended tax rate



is **\$0.49** per **\$100** valuation, a **\$0.02** increase over last fiscal year. This \$0.49 level is estimated to generate **\$7,944,941** in ad valorem tax revenue and **\$615,000** in ad valorem motor vehicle tax revenue for FY18-19. The chart below presents the total assessed value for all property in the City of Hendersonville, less tax exempt property:



The green shaded columns represent estimates while the grey shaded column represents the estimate for the reappraisal year. The next revaluation of real property is scheduled to occur in FY19-20. This revaluation is a critical piece of the City’s strategic planning and budgeting processes. The City Council includes estimated new future revenues from revaluations in planning for future expenditures. Historically, the last 5 revaluations have had the following effects:

Reval Year	Assessed Value	Percent Change	Tax Rate
FY99-00	\$ 888,057,333	33.35%	\$ 0.45
FY03-04	\$1,157,251,500	16.25%	\$ 0.43
FY07-08	\$1,699,593,100	29.92%	\$ 0.38
FY11-12	\$1,636,627,500	-6.78%	\$ 0.41
FY15-16	\$1,737,261,913	0.76%	\$ 0.46

Unrestricted Intergov. – Sales Taxes: Two and one-half percent of sales tax paid on retail sales in North Carolina represents the local sales tax portion levied by the City and County. These taxes consist of a one percent tax that was first levied in 1971, a one-half cent levied in 1983, a one-half cent levied in 1986 and a one-half cent levied in 2001. The State of North Carolina collects the sales tax



and distributes it to the local units. Sales tax revenues are distributed on a proportional ad valorem tax levy basis in Henderson County. The City of Hendersonville has the second largest tax levy in Henderson County and receives the second largest proportional share of sales tax revenues behind Henderson County.

Local sales tax collections, which closed Fiscal Year 2016-17 strong, have regressed slightly in FY17-18. This is primarily due to the large tax increases made by Mills River, a municipality in Henderson County, and the County itself. These increase, increased their respective levies and lowered the City’s share of the total sales tax revenue. At the county level, sales taxes are pushing 7% to 8% growth, year over year. However, the City is averaging a 1% decrease year over year. It is estimated that after the change in levy has taken its effect, we will see more average growth (6% - 8%) in the coming year, FY18-19.

The table below displays actual sales tax data in black and estimated collections in blue for FY17-18:

Sales Tax Comparison							
Reflects Sales	Collection	FY15-16	FY16-17	FY17-18	\$ Change (FY17 - FY18)	% Change (FY17 - FY18)	
July	Oct.	\$ 275,879	\$ 268,663	\$ 277,731	\$ 9,068	3.38%	
Aug.	Nov.	\$ 267,878	\$ 271,415	\$ 272,430	\$ 1,015	0.37%	
Sep.	Dec.	\$ 271,367	\$ 276,052	\$ 263,187	\$ (12,865)	-4.66%	
	Q1	\$ 815,124	\$ 816,130	\$ 813,347	\$ (2,783)	-0.34%	
Oct.	Jan.	\$ 232,447	\$ 263,071	\$ 257,103	\$ (5,967)	-2.27%	
Nov.	Feb.	\$ 264,741	\$ 288,644	\$ 280,052	\$ (8,592)	-2.98%	
Dec.	March	\$ 283,077	\$ 320,552	\$ 308,362	\$ (12,190)	-3.80%	
	Q2	\$ 780,265	\$ 872,267	\$ 845,517	\$ (26,749)	-3.07%	
Jan.	April	\$ 226,818	\$ 239,138	\$ 244,718	\$ 5,580	2.33%	
Feb.	May	\$ 230,090	\$ 257,121	\$ 219,826	\$ (37,294)	-14.50%	
March	June	\$ 295,454	\$ 309,849	\$ 306,751	\$ (3,098)	-1.00%	
	Q3	\$ 752,362	\$ 806,108	\$ 771,295	\$ (34,813)	-4.32%	
April	July	\$ 281,646	\$ 289,159	\$ 286,267	\$ (2,892)	-1.00%	
May	August	\$ 280,988	\$ 237,601	\$ 239,977	\$ 2,376	1.00%	
June	Sep.	\$ 295,504	\$ 288,106	\$ 290,987	\$ 2,881	1.00%	
	Q4	\$ 858,138	\$ 814,866	\$ 817,231	\$ 2,365	0.29%	
Total		\$ 3,205,889	\$ 3,309,370	\$ 3,247,391	\$ (61,980)	-1.87%	
Minus Transfers to MSD Funds		\$ 106,652	\$ 198,562	\$ 194,843	\$ (3,719)	-1.87%	
Sub-Total GF		\$ 3,099,237	\$ 3,110,808	\$ 3,052,547	\$ (58,261)	-1.87%	

It is important to note that the City’s collections lag the actual taxable sale by four months. The “Minus Transfers to MSD Funds” row reflects a portion of sales tax revenue that is distributed to the City’s two municipal service districts (MSDs), based on percentage of assessed value. The Main St. MSD receives 5% of the actual revenues and the 7th Avenue MSD receives 1% of the actual revenues. This continues to be a strong revenue source for the two MSDs.



The FY18-19 Budget includes a **6%** increase in sales tax revenues from the FY17-18 estimated final collection. The budget for local sales tax collections in the General Fund is **\$3,507,017**, less \$207,017 in transfers, for a total of \$3,300,000 in FY18-19.

Lastly, there is a proposed bill in the North Carolina General Assembly (NCGA) regarding local sales tax. House Bill 900 Safe Infrastructure and Low Property Tax Act would provide municipalities the option, if approved through a public referendum, to leverage a ¼ cent sales tax within their corporate limits. This local sales tax option could provide an estimated **\$1.7 million** in new revenue for the City. This revenue is substantial and could help alleviate pressure on the general ad valorem tax base.

Restricted Intergov. – Powell Bill Street Allocation: Two years ago, the General Assembly eliminated the tie between the gas tax and Powell Bill funds and instead made the Powell Bill a direct appropriation of state dollars. The General Assembly could choose to adjust the amount of Powell Bill funds during its budget process, but the best projection at this time is that there will be no change in the coming fiscal year. In addition to Powell Bill funds provided by the State, the City contributes approximately one penny worth of property tax revenue to the program. The total funding budgeted for the Powell Bill line item in FY18-19 is **\$543,682**.

In addition to the Powell Bill funds, this revenue source accounts for various other restricted intergovernmental contributions. Some of these funds are for ABC law enforcement, Hendersonville Housing Authority police officers, and school resource officer reimbursements.

Permits & Fees: A **\$15** motor vehicle tag fee is recommended as part of the FY18-19 budget. Municipalities in North Carolina are authorized under general law to levy up to a \$30 licensing tax on any motor vehicle resident in the municipality. General Statute 20-97(b) details this authority. This revenue source is conservatively estimated to generate **\$150,000** in recurring revenues, to be used for transportation and street improvements.

Sales & Services: This funding source is estimated to decrease by **\$142,050** or **34.79%** in the FY18-19 budget. This is due to the management of the Patton Pool being contracted with the local YMCA. This revenue source has a corresponding expenditure decrease.

Fund Balance: The North Carolina Local Government Commission recommends that local governments maintain a minimum available fund balance of no less than eight percent (8%) of expenditures. The City of Hendersonville's fund balance goal is a range between **25%-35%**. Anything in excess of 35% can be transferred to the Capital Reserve Fund at the City Manager's discretion. If the available fund balance drops below the 25% mark, then the City Manager has to present a plan to Council as to how to achieve the adopted goal. The City of Hendersonville's available fund balance as of June 30, 2017 is **\$4,326,041**, or **31.13%** of budgeted expenditures. The total fund balance is **\$7,381,399** as of June 30th, 2017. The proposed FY18-19 budget estimates that the total fund balance will increase by **\$135,191**. This is a strong fund balance and is within City Council's stated goal.

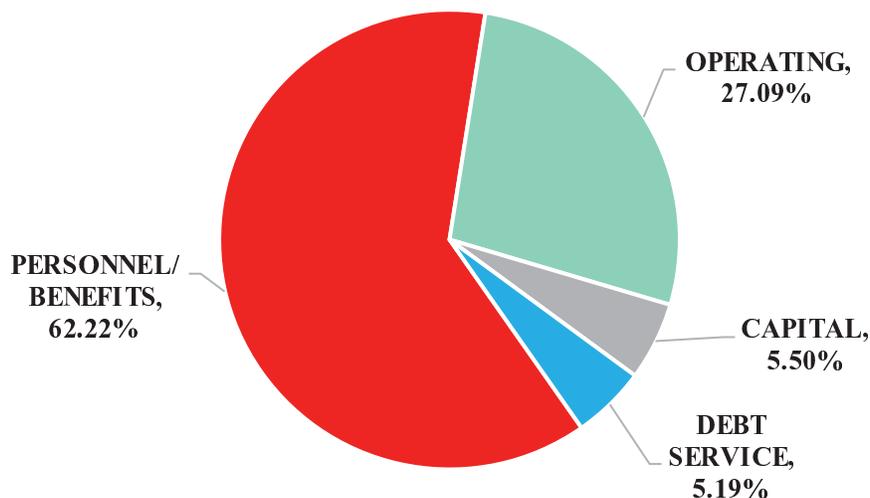


General Fund – Expenditures

The following section will detail the City’s operating expenditures for the General Fund. The total budget for General Fund expenditures is **\$16,011,666**. The table below details the City’s General Fund expenditures by type for FY18-19:

GENERAL FUND EXPENDITURES					<i>*Based on Budget*</i>	
EXPENDITURE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE
PERSONNEL/BENEFITS	\$ 9,590,447	\$ 9,281,653	\$ 9,962,721	\$ 9,636,966	\$ 372,274	3.88%
OPERATING	4,063,659	3,932,817	4,336,764	4,194,963	273,105	6.72%
CAPITAL	965,525	934,437	881,000	852,194	(84,525)	-8.75%
DEBT SERVICE	565,000	565,000	831,181	831,181	266,181	47.11%
SUB-TOTAL	\$ 15,184,631	\$ 14,713,907	\$ 16,011,666	\$ 15,515,304	\$ 827,035	5.45%
TRANSFERS OUT	\$ 160,904	\$ 160,904	\$ -	\$ -	\$ (160,904)	-100.00%
NET TOTAL	\$ 15,345,535	\$ 14,874,811	\$ 16,011,666	\$ 15,515,304	\$ 666,131	4.34%

The chart below presents each expenditure type as a percent of total budgeted expenditures for FY18-19:



Personnel and benefits type expenditures make up the largest portion of General Fund expenditures, at approximately **62%** of the total budget. Operating expenditures make up another large portion at **27%** of the total budget. The remainder of the General Fund budget is spent on capital outlay and debt service.

Personnel/Benefits: Personnel and benefits type expenditures include salaries, stipends, insurance, retirement contributions, and respective taxes (i.e. income tax, etc...). The total increase, for this expenditure type, between the FY17-18 and FY18-19 budgets is **\$372,274**, or **+3.88%**. This increase is a result of an **11.6%** increase in health insurance premiums and three



new School Resource Officer positions. The remainder of the increase is due to natural growth from merit and market increases. The performance based pay program amounts are currently not scheduled to change (**+1.00% Achieves/+1.75% Exceeds/+2.50% Outstanding**). The market, “cost-of-living”, adjustment is proposed to be **1.20%**. Additionally, the budget includes a final compression adjustment of the pay and classification study for number of years in served in current position. The following positions were discussed at City Council’s budget workshop and were recommended to be included in the FY18-19 budget:

1. Hiring of 3 School Resource Officer (SRO) positions to enhance school safety

The City Council directed staff to provide data on the cost of adding three additional SROs in the FY18-19 budget. The total estimated cost for three SROs is \$360,000, with \$220,500 recurring. This impact will require a \$0.02 increase on the tax rate, where every penny is estimated to produce \$160,000 in recurring revenues. These positions were prioritized to provide at least one SRO in each school located within the City limits. Additionally, this will provide one additional SRO to float between schools and fill-in when another officer is out sick, on vacation, or during a vacancy.

2. Pursuit of a SAFER Grant for 3 additional Fire Fighter positions

If the Fire Department receives a SAFER grant for hiring three Fire Fighter positions (1 per shift), the grant will fund 75% of the position cost. Currently, there are nine fire fighters on shift (three per apparatus). By hiring a tenth position we will be able to decrease overtime and part-time costs by approximately \$100,000 annually. This savings, combined with the grant, lowers expenditures enough that we can hire the 3 Fire Fighter positions and an Administrative Assistant I position. Due to the logistics of recruitment and hiring the total budget impact will be about half for FY18-19. It is important to note that the grant will only fund 35% in FY21-22 and will require full funding from the City in FY22-23.

These additions are an efficient use of available resources. They were prioritized based on the goal of continuing to support the Fire Department’s staffing to a minimum acceptable level in terms of safety on the fire-ground and in accordance with the Fire Dept. Strategic Plan, and increasing our effectiveness and efficiency of collecting and managing our revenue streams.

3. Hire an additional Accountant and Tax Collector position to assist bringing in uncollected revenues

The Finance Department has identified revenue collection as an opportunity moving forward. To this point, the staff has not had time to do in-depth research and work on revenues, above and beyond basic reconciliations and collections. By adding personnel, dedicated to revenue collections, the Finance Department has identified over \$500,000 of outstanding taxes that can be collected through foreclosures, wage garnishments, bank garnishments, and debt set-off. The cost for these positions is partially split with the Water and Sewer Fund as they will also have a focus on general billing and collections for water and sewer revenues.



These additions are an efficient use of available resources. They were prioritized based on the goal of continuing to support the Fire Department’s staffing to a minimum acceptable level in terms of safety on the fire-ground and in accordance with the Fire Dept. Strategic Plan, and increasing our effectiveness and efficiency of collecting and managing our revenue streams.

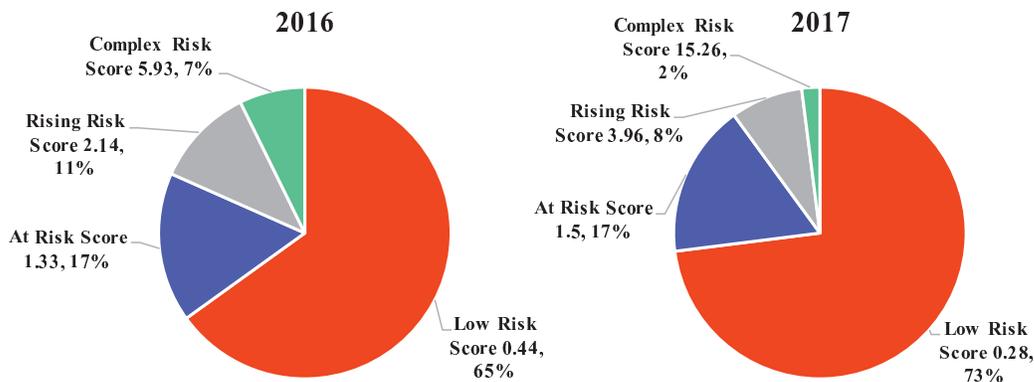
The 11.6% increase in health insurance premiums is the final variable that lead to the increase in personnel and benefits type expenditures. The original proposed renewal was for a 13.3% premium increase. By making some small adjustments in our co-pays we were able to drop the increase by a couple percentage points reducing the cost increase by approximately \$30,500. Those changes are summarized below:

<u>Co-Pay Plan Changes</u>			
Patient Services	FY17-18	FY18-19	
PCP Visits	\$ 30	\$ 35	
Specialist Visits	40	50	
Pharmacy			
Generic	\$ 5	\$ 10	
Preferred	30	40	
Non-Preferred	50	60	
Specialty	75	85	

According to our broker these changes are in line with industry trends. They also reflect changes to a major driver of our premium increase, being pharmacy/Rx costs. We do want to be cognizant that these prescriptions are helping keep members out of the emergency and operating rooms. To raise co-pays to an unreasonable level would be a serious detriment to our plan. We recognize this importance and discussed the co-pay in depth with our broker.

Our greatest challenges continue to be rising Rx costs and chronic hyperlipidemia, hypertension, and diabetes. Our total expense ratio for 2017 was **103.3%** or claims costing **3.3%** more than what we contributed. A provider is typically looking for a ratio of **85%** to break even. Additionally, a provider will consider risk factors, or how much a customer is expected to cost compared to an average risk population, when determining customer contribution levels. The City’s population risk stratification is detailed below:





The “Score” represents the average level or severity of risk on the MARA risk stratification scale. In 2017 our risk metrics improved, increasing our low risk percentage and decreasing our rising risk. However, the score associated with the rising risk and complex risk increased. These high scores are representative of the high cost claimants’ statistics detailed in the annual report

MARA: Milliman Advanced Risk Adjusters. MARA uses medical and Rx claim history to predict an individual’s relative healthcare cost risk compared to an average population risk.

Additional considerations to be included in this budget are the City’s participation in a shared clinic located at Pardee Hospital, the new tobacco cessation incentive, and working to develop an health savings account (HSA) as an option for employees in the FY19-20 budget. Ultimately, the nature of healthcare is complex and challenging. The City will continue to manage and encourage beneficial health practices. Through incentive programs, an on-site clinic, various educational and awareness programs, a re-work of our current wellness program, and future potential plan changes, management hopes to reach a stabilizing point in our healthcare costs.

Operating: Operating type expenditures include everything that is not considered capital, salaries/benefits, or debt, so it includes a wide array of accounts and expenditures. The change between the FY17-18 and FY18-19 budgets is an increase of **\$273,105**, or **6.72%**. This year we are seeing an increase from increased Powell Bill spending, continued rising public transit costs, professional services for a zoning ordinance consultant, additional protective clothing for the Fire Department, increased contributions to the Health and Welfare Fund, and inflation. In the budget process departments adjusted approximately **\$78,000** out of their requests. Additionally, the contingencies line item has been decreased by **\$50,000**.

There are no major recommended changes for the General Fund operating budget. However, it is important to note the continued increase in public transit costs. In 2014 the cost for the public transit City portion was **\$98,675**. This year the cost is **\$145,447**. This is a **\$46,772**, or **47%**, increase over five years. The purpose of the recommended \$15 motor vehicle license tax is to assist in paying for these increasing transportation costs.

Capital: Capital type expenditures are physical or intangible assets with an initial value greater than \$5,000 and a projected useful life greater than 1 year. The change between the FY17-18



and FY18-19 budgets is a decrease of **\$84,525**, or **-8.75%**. Fluctuations in capital spending from year to year are normal, however this year the capital program saw substantial cuts in order to help address the current deficit.

A list of the items removed from the CIP for FY18-19 are presented below:

CIP Items Postponed	Cost
Berkeley Baseball Dugouts	60,000
Berkeley Baseball Lighting	210,000
Berkeley Baseball Field Improvements	12,000
Berkeley Improvements (master plan)	300,000
City Hall Landscape	25,000
FS#1 Apparatus Floor Resurfacing	50,000
FS#1 HVAC Replacement	30,000
FS#1 Renovation Architect	25,000
FS#1 Repair Front Apron	90,000
Painting Contract	20,000
Patton Park Bleachers	8,000
Patton Pool Fence	16,000
Patton Pool Umbrellas	20,000
Patton Pool Vacuum	5,000
Police Computer Replacements	25,000
Police Vehicle Replacements (3)	133,000
Sub-Total	1,029,000

Additionally, the Whitmire building improvements, an estimated \$150,000, are recommended to be funded through debt proceeds associated with the Mill streetscape improvements and Main St. public restrooms debt issuance. This will provide additional collateral for that loan and alleviate pressure on the General Fund to pay for these projects through pay-go funding. The total pay-go portion of the capital plan is **\$241,000**. Historical averages for pay-go capital ranges from **\$900,000** to **\$1,000,000**. Again, this is a slim capital program for FY18-19.

Debt Service: Debt service type expenditures are those associated with the payment of principal and interest owed by the City. The change between the FY16-17 and FY17-18 budget is an increase of **\$266,181**, or **47.11%**. This increase can be attributed to a combination of two factors. In FY15-16 the City created a debt service fund and transferred a portion of reserves to that fund to make payments on debt service notes ending in FY19-20. This dropped the General Fund’s annual principal and interest payments. In FY17-18 the City refunded an outstanding general obligation bond and through that process depleted the reserves in the debt service fund. This required the General Fund to cover the portion of principal and interest payments for this final fiscal year, prior to the notes being paid in full in FY19-20. This is the reason this expenditure type increased by \$266,181 in FY18-19. It is estimated that \$120,000 of principal and interest payments will decrease in FY19-20, associated with the completion of payments for



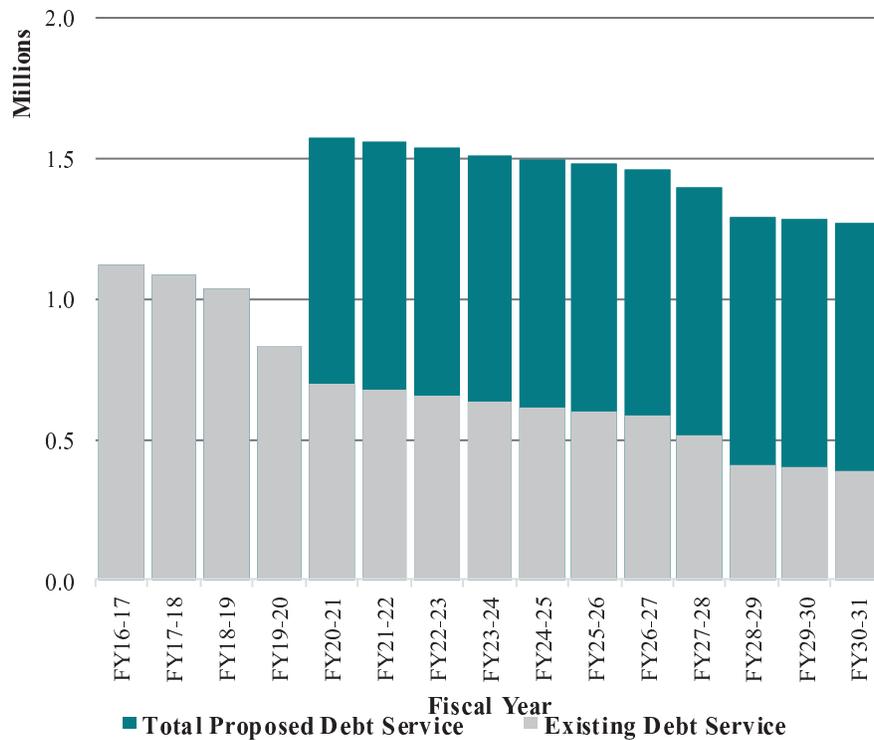
the City Hall Renovation debt issuance. Upcoming debt projects include the new Police Headquarters, Main St. Public Restrooms, Mill Project Streetscape, Public Works Maintenance Facility, and the 7th Avenue Streetscape Phase I. The loan for the Main St. Public Restrooms project will be funded through Main Street MSD Fund revenues and the loan for the Mill Project Streetscape will be funded through project revenues from the sale of the Grey Hosiery Mill.

The following table details the City’s existing and proposed debt obligation for the General Fund:

Project	Finance Type	Outstanding Principal	Interest	End Date	FY18-19 Payment
General Fund - Existing					
2008 G.O. Bond Refunding	General Obligation	\$ 1,500,000	2.02%	FY26-27	\$ 193,129
City Hall Reno. Loan	Bank Loan	\$ 583,334	4.10%	FY18-19	\$ 119,098
Fire Engine #2 Replacement Loan	Bank Loan	\$ 664,621	2.49%	FY31-32	\$ 52,081
Main St., Fire Station/Engine Loan	Bank Loan	\$ 5,100,000	4.10%	FY32-33	\$ 454,433
Parking Kiosk Loan	Bank Loan	\$ 56,023	3.10%	FY21-22	\$ 12,438
General Fund - Proposed					
7th Avenue Streetscape Loan	Bank Loan	\$ 1,400,000	4.00%	FY38-39	\$ 103,014
Capital Equipment Loan	Bank Loan	\$ 615,000	4.00%	FY33-34	\$ 55,314
Police Station Loan	Bank Loan	\$ 8,000,000	4.00%	FY38-39	\$ 586,654
PW-Maintenance Bldg. Loan	Bank Loan	\$ 1,500,000	4.00%	FY33-34	\$ 134,912

The following chart details the City’s total existing and proposed debt service payments through FY29-30:





It has been communicated that our future debt and expenditures will require recouping revenues through the county-wide real property reappraisal next budget year. This means remaining revenue neutral (i.e. not adjusting the property tax rate) for a real property increase of at least **18%**. This is expected to provide enough revenues to break even with expenditures in FY19-20. The current County estimate is an average increase of 15% – 30%. If the reappraisal comes in higher than 18%, then the City will need to evaluate how much revenue above and beyond our break-even point to retain. We mention this because there are still a number of unfunded projects in our strategic plan, including the construction of Fire Station #3, improvements at Berkeley Park, a Parking Deck, Main Street Avenue improvements, and Customer Service Renovations. These projects combined with service demands will continue to drive the need for additional revenue options.

More detail on the General Fund and long range strategic plan can be found in the *Community and Organization Profile* and *Financial Summaries* sections of this document.



Water & Sewer Fund

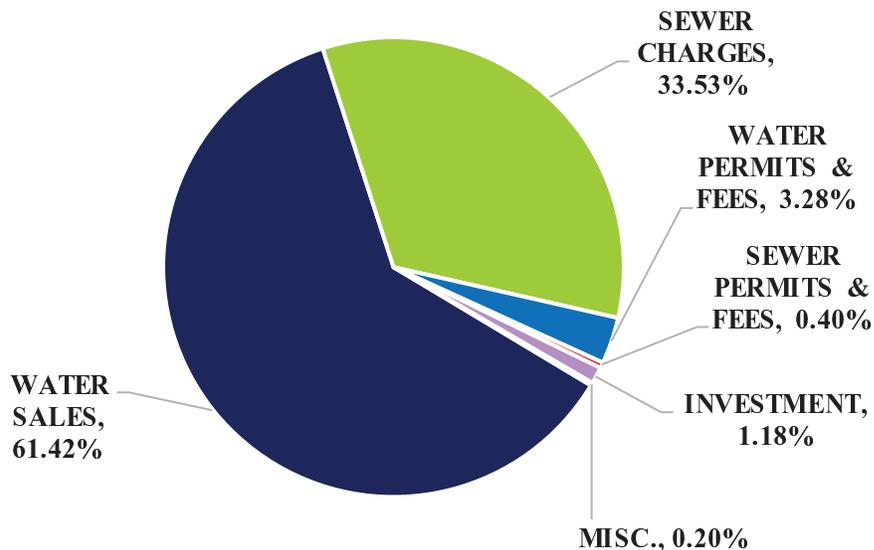
The Water and Sewer Fund is an enterprise fund and is primarily funded through user charges. The Fund is the largest part of the City of Hendersonville’s operating budget, **47.03%** or **\$16,639,133** of the total \$35,476,475 budget for FY18-19.

Water & Sewer Fund – Revenues

The following section will detail the City’s operating revenues for the Water and Sewer Fund. The total operating revenue budget for this Fund, excluding “Other Financing Sources” is **\$16,167,196**. The following table shows the revenues for FY18-19:

WATER/SEWER FUND REVENUES						*Based on Budget*	
REVENUE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE	
WATER SALES	\$ (9,536,461)	\$ (9,917,919)	\$ (9,929,436)	\$ (10,028,730)	\$ (392,975)	4.12%	
SEWER CHARGES	(4,806,412)	(4,998,668)	(5,420,415)	(5,474,619)	(614,003)	12.77%	
WATER PERMITS & FEES	(524,500)	(545,480)	(529,745)	(535,042)	(5,245)	1.00%	
SEWER PERMITS & FEES	(65,000)	(67,600)	(65,200)	(65,852)	(200)	0.31%	
INVESTMENT	(190,000)	(197,600)	(190,000)	(191,900)	-	0.00%	
MISC.	(34,900)	(36,296)	(32,400)	(32,724)	2,500	-7.16%	
SUB-TOTAL	\$ (15,157,273)	\$ (15,763,564)	\$ (16,167,196)	\$ (16,328,868)	\$ (1,009,923)	6.66%	
OTHER FINANCING SOURCES	\$ (6,854,423)	\$ (5,562,323)	\$ (471,937)	\$ -	\$ 6,382,486	-93.11%	
NET TOTAL	\$ (22,011,696)	\$ (21,325,887)	\$ (16,639,133)	\$ (16,328,868)	\$ 5,372,563	-24.41%	

The chart below presents each revenue source as a percent of total budgeted revenues for FY18-19:



Rate Study: The Water and Sewer Fund generates revenue via various user charges and fees. User charges comprise about 95% of all utility revenues. Due to reliance on user charges, the rate study will have significant implications for the Utility’s revenue stream. Proposed changes



to rate structure in the Water and Sewer fund will increase revenue for the utility system in order to fund necessary capital improvements. Changes in the proposed rate structure will accomplish a number of objectives: (1) establishes more encompassing volumetric rate blocks, (2) maintains the utility's debt service coverage ratio at a 1.0 or higher, and (3) funds the debt and capital needs of the utility system through fiscal year 2030. These changes for customers will be experienced to different degrees. Industrial and commercial customers can expect a more notable change in charges as the City moves away from a declining block structure. Residential customers will experience gradual and less notable change than industrial and commercial customers. It is anticipated in some cases residential customers will see a decline in payments for service. Overall, the changes will enhance equitable service delivery, ensuring long-term sustainability for the system.

Following the City Council's retreat in February, staff asked the rate consultant to provide scenarios regarding system development charges, industrial comparisons, and rate differentials. Information regarding these topics is presented below.

System Development Charges (SDCs): In addition to the user fees and charges summarized above, the City considered the option to re-implement system development charges (SDCs). Re-implementation of SDCs may increase the utility's revenues from taps and fees, decreasing current reliance on user charges. Conservatively, SDC revenues are estimated to produce \$492,135 per year, on average. They may also shift some financial burden from current customers who are already invested in the system to those customers who have not previously invested in existing and future infrastructure. Re-implementation would also decrease the total rate increases by approximately 1%, or a \$0.25 less per month on a typical residential customer. This information was presented to the Water Advisory Council at their regular April meeting and they took formal action to make a recommendation that the City Council not re-implement this fee. This revenue source has not been included in this proposed budget for FY18-19.

Industrial Rate Comparisons: After the retreat, the City's rate consultant provided City staff with a corrected industrial comparison under a flat rate for volumetric charges to industries. We currently have a declining block (pay less for the more you use) structure. The original recommendation was to go to a flat rate in year one. After seeing the impact of a year one full implementation, it was apparent that this would have a substantial impact on our industry stakeholders. As a result, the City Manager is recommending that City Council phase out the declining block over 5-years, rather than all at once. This will give current industries time to react to the changes and provide an opportunity to maintain a competitive edge for utility costs as they relate to economic development. The 5-year phased implementation maintains a lower Hendersonville water and sewer rate for a majority of meter size and usage scenarios.

Rate Differentials: For informational purposes, the City asked the rate consultant to produce a model under a unified rate structure (i.e. residents outside the City-limits pay the same rates as those inside). Under this scenario, a residential customer using 3,000 gallons of water would pay



\$19.29 per month. This would be a \$4.80 per month increase for the inside City customer and a \$2.56 per month decrease for the outside City customer. A full customer impact table is available. This is simply for informational purposes and the current rate model maintains a 150% differential for outside customers.

Other Financing Sources – Fund Balance: Similar to the General Fund, the Water and Sewer Fund maintains a fund balance or retained earnings. However, the LGC does not provide a recommended minimum level. The City Council has established and adopted its own policy goal of a range from 50% - 75% of expenditures. This level is higher than the General Fund because water and sewer type infrastructure and expenditures are typically more costly. The fund balance as of June 30th, 2017 was **\$14,973,146**, or **91%** of estimated operating expenditures for FY16-17. It is estimated that this Fund's fund balance will increase by **\$351,300** in FY18-19.

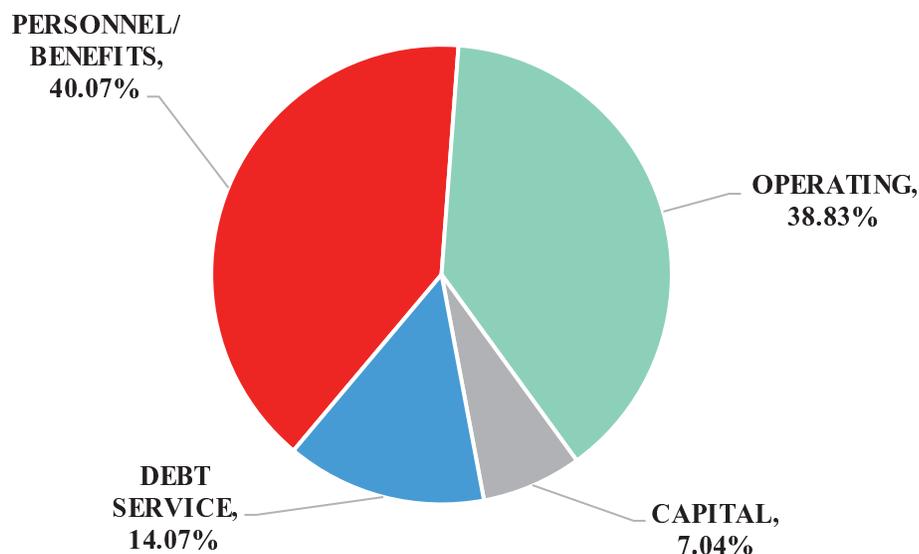


Water & Sewer Fund – Expenditures

Hendersonville Water and Sewer is responsible for providing water service to more than 65,000 residents and businesses of Hendersonville and Henderson County and sewer service to more than 21,000 residents and businesses. The Water and Sewer Fund continues to evaluate and improve its already high quality services through work with various outside consultants, stakeholder groups, and internal strategic priority meetings. The recommended expenditures in this memo reflect the priorities identified in the aforementioned initiatives. Below is a breakdown of the Fund’s total expenditures for FY18-19:

WATER/SEWER FUND EXPENDITURES					*Based on Budget*	
EXPENDITURE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE
PERSONNEL/BENEFITS	\$ 6,265,100	\$ 5,961,453	\$ 6,626,887	\$ 6,318,419	\$ 361,787	5.77%
OPERATING	6,252,947	5,949,889	6,421,668	6,122,753	\$ 168,721	2.70%
CAPITAL	1,572,608	1,496,389	1,164,000	1,109,818	\$ (408,608)	-25.98%
DEBT SERVICE	2,982,434	2,982,434	2,326,578	2,326,578	\$ (655,856)	-21.99%
SUB-TOTAL	\$ 17,073,089	\$ 16,390,165	\$ 16,539,133	\$ 15,877,568	\$ (533,956)	-3.13%
TRANSFERS OUT	\$ 4,935,722	\$ 4,935,722	\$ 100,000	\$ 100,000	\$ (4,835,722)	-97.97%
NET TOTAL	\$ 22,008,811	\$ 21,325,887	\$ 16,639,133	\$ 15,977,568	\$ (5,369,678)	-24.40%

The chart below presents each expenditure type as a percent of total budgeted expenditures for FY18-19:



Personnel/Benefits: Personnel and benefits expenditures include salaries, insurance, retirement contributions, and respective taxes (i.e. income tax, etc.). The total increase, for this expenditure type, between the FY17-18 and FY18-19 budgets is **\$361,787** or **+5.77%**. This increase is the result of a health insurance premium increase, implementation of a part of the pay and classification plan, and the hiring of additional personnel. New personnel proposed for the



upcoming fiscal year will assist by reducing cost for the City to complete services previously offered by contractors. Additionally, the budget associated with the vacant Finance Manager position has been converted into an Accountant position and AMI Data Analyst position. The total personnel requested for FY18-19 include:

1. Meter Maintenance Mechanic
2. Generator Maintenance Mechanic
3. Wastewater Collections Line Maintenance Crew Leader
4. Wastewater Collections Line Maintenance Mechanic (2)
5. AMI Data Analyst
6. Accountant

New positions listed above are justified through cost-savings anticipated versus the option to contract necessary services to the private sector. Hiring new personnel will increase service levels for the Water and Sewer Department.

Operating: Operating type expenditures include everything that is not considered capital, salaries/benefits, or debt, so it includes a wide array of expenditures. The change between the FY16-17 and FY17-18 budgets is an increase of **\$168,721**, or **+2.70%**. It is important to note when considering operating expenditures, is their likelihood to fluctuate from budget to actual spending. This is common due to the nature of system repair and maintenance. Leaks and other damages to the system vary in cost and severity, and tends to drive the need for a high initial budget that may not always be completely used during the year.

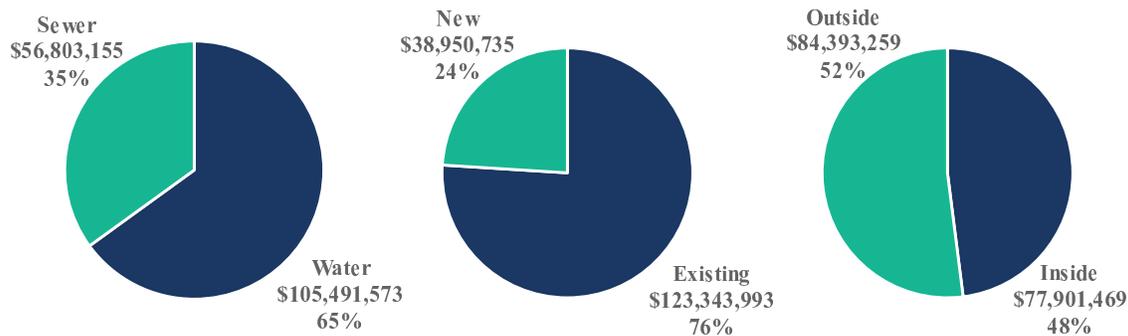
Capital: The Utility's pay-go capital budget is in line with historical averages, totaling \$1.6 million, and was discussed in the City's initial CIP communication in February. The total pay-go budget for FY18-19 is **\$1,164,000**. Pay-Go funded projects are typically smaller, frequently purchased, or common equipment and vehicles.

In addition to pay-go financed projects, the City has planned for reserve and debt series funded projects. Reserve projects are major projects funded through the Water and Sewer Fund's fund balance (savings). Reserve funded projects allow the City to purchase or complete larger projects while reducing dependence on debt (loans/bonds). The City plans to fund projects totaling \$10.18m using reserves. Funds were made available through transfers to these projects over the past three fiscal years.

Debt series projects are funded through borrowing. Debt funded projects are typically larger projects that would be difficult to fund within a reasonable timeframe through pay-go or when reserves are not available. There will be debt series funded projects beginning in FY18-19; however, debt will not be issued for the projects until FY19-20 and payments on the debt will not begin until FY20-21. Total expense for debt series funded projects beginning in FY18-19 is anticipated to be \$21.11m.



After the City Council retreat in February, staff took time to make final revisions to the CIP and prepare for costs associated with approaching NCDOT projects. This reprioritization lowered the total capital spend by approximately \$10 million through 2030 and added in City costs for the NCDOT projects. These projects are in-line with the water system master plan developed in FY16-17. The final average breakdown for the CIP through 2030 is presented below:



Additionally, a table listing the debt and reserve funded projects through FY19-20 is provided below:

Project Title	Water	Sewer	Inside	Outside	Existing	New	Funding Source	Project Costs
Etowah Water System Improvements	100%	0%	0%	100%	50%	50%	Reserve	4,200,000
WTP Pumps and Equipment Upgrade	100%	0%	30%	70%	80%	20%	Reserve	2,574,000
WWTP Generator & ATS	0%	100%	70%	30%	0%	100%	Reserve	912,500
WWTP Gravity Filter Replacement	100%	0%	70%	30%	100%	0%	Reserve	2,300,000
Eastside Transmission Main, Phase 2 & 3	100%	0%	0%	100%	0%	100%	2020 Series	5,100,000
French Broad River Water Intake, Phase 2	100%	0%	30%	70%	0%	100%	2020 Series	5,925,000
NCDOT Airport Road	100%	0%	0%	100%	100%	0%	2020 Series	700,000
NCDOT Shepherd/Erkwood	100%	0%	0%	100%	100%	0%	2020 Series	300,000
Northside Water System Improvements	100%	0%	0%	100%	50%	50%	2020 Series	3,600,000
WTP Expansion, 12-MGD to 15-MGD	100%	0%	30%	70%	100%	0%	2020 Series	1,387,000
WWTP Sludge Drying System	0%	100%	50%	50%	0%	100%	2020 Series	4,100,000

Debt Service: As outlined in the capital projects section, the City funds a number of projects through debt financing. Debt financing helps the City meet current obligations using future financial resources. Debt financing requires payments on principal and interest over a fixed number of years.

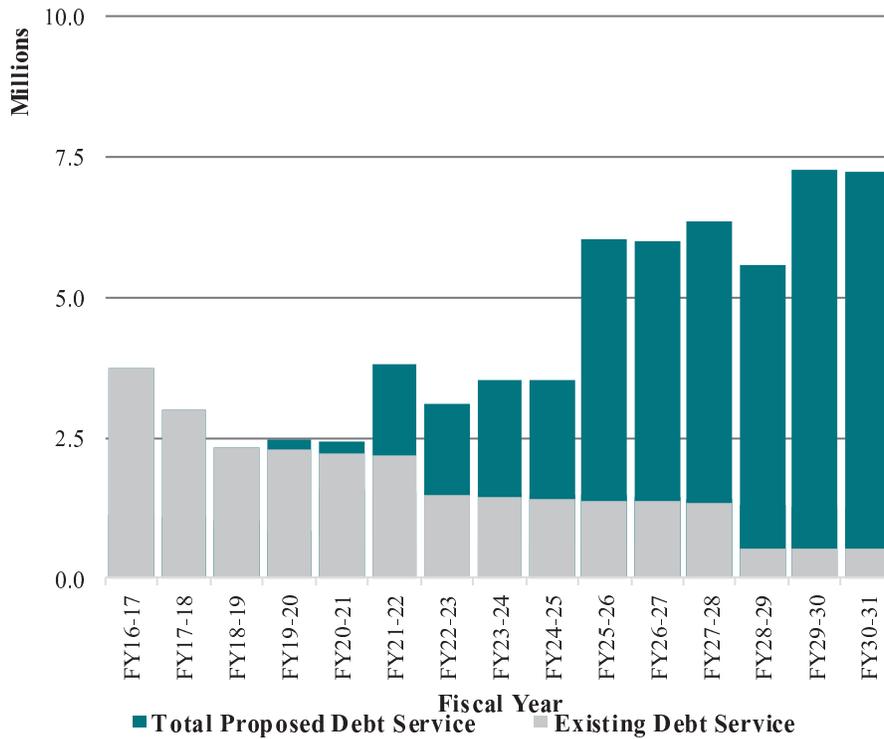
The City has issued debt in the past and; therefore, has current debt service payments. Some of these payments will roll off as the loans are paid back in full. Debt which will be paid in full in FY17-18 includes debt issued for a water treatment plant upgrade and debt issued for sewer line improvements.

There is approximately **\$136.65** million worth of debt issuances proposed in the 10-year CIP. An estimated **\$21.10** million is proposed to be issued in a FY19-20 series. The rate study

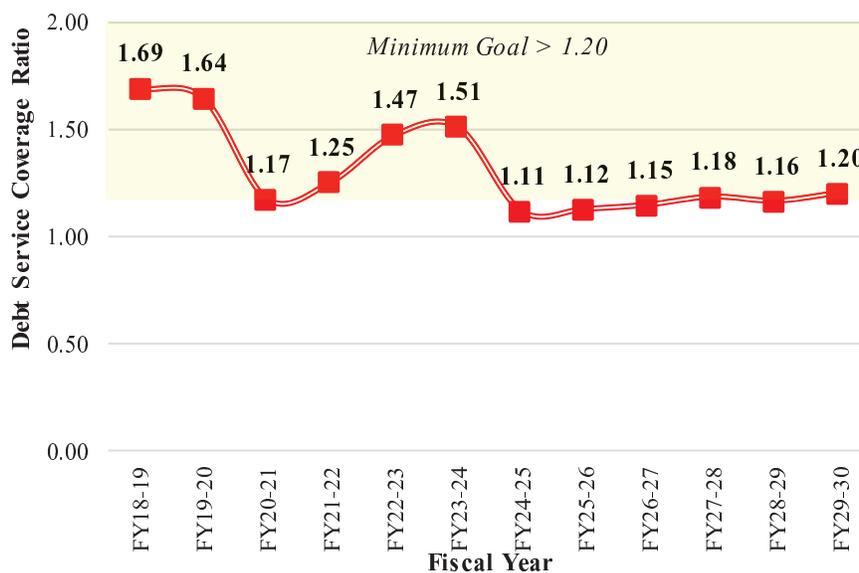


recommendations were based on the ability to fund these proposed project while maintaining acceptable debt service coverage, operating, and available fund balance ratios.

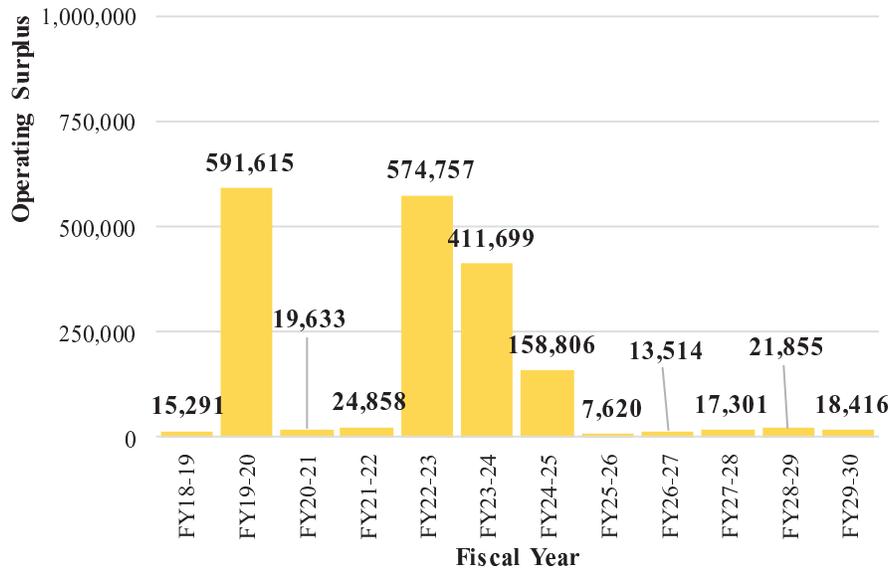
The following chart details the Utility’s total existing and proposed debt service payments through FY29-30:



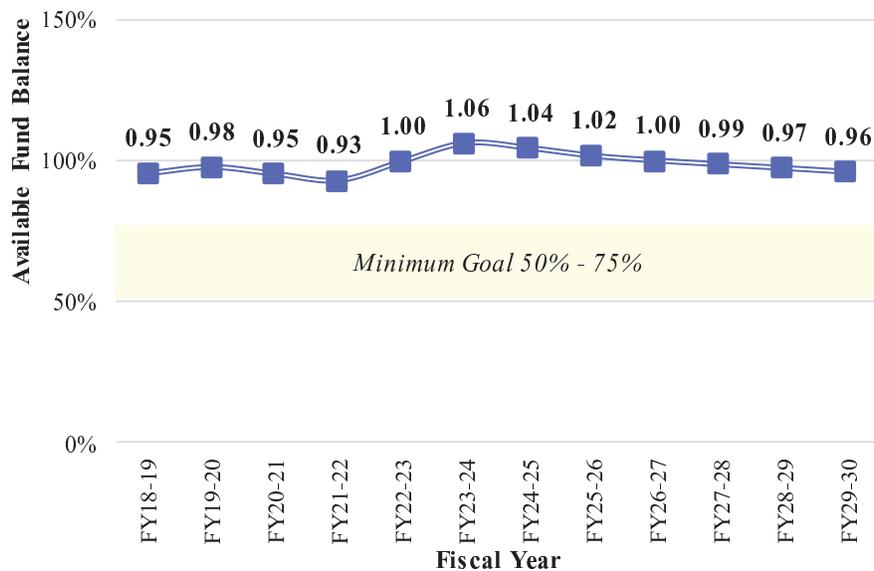
The following chart details the Fund’s debt service coverage ratio and the expected impacts through FY29-30:



The following chart details the Fund’s operating ratio and the expected impacts through FY29-30:



The following chart details the Fund’s available fund balance ratio and the expected impacts through FY29-30:



Transfers Out: A major part of the prior year budgets are transfers to capital project ordinances. In FY17-18, these costs totaled approximately **\$4,935,722**. These were planned uses of the Fund’s reserves to pay for major projects. These projects have been identified above in the capital narrative. The total cost for these projects have been transferred to their respective funds and we do not include any major transfers in the FY18-19 budget. There is a transfer for \$100,000 to the Water and Sewer Capital Reserve Fund. This transfer will be used to build a capital reserve designated to pay for economic development projects within the County.



Other Funds

In addition to the two largest City funds, the City budgets for a variety of other funds. These include enterprise funds, special revenue funds, capital reserve funds, and internal service funds. These remaining funds make up approximately **7.96%**, or **\$2,825,676**, of the total budget for FY18-19.

Downtown Program

Under the authority provided by the State, the City levies two separate municipal service district (MSD) taxes in addition to its base ad valorem taxing authority. These two MSDs participate in the North Carolina Main Street Program and provide services above and beyond the standard services provided throughout the City. Using the National Trust for Historic Preservation's Main Street Four Point Approach, the Advisory Committees seek to support and build upon inherent strengths in the City's two historic commercial districts. The Main Street Four Point approach includes Organization, Design, Economic Restructuring and Promotions. The two historic commercial districts that are part of the City of Hendersonville's Downtown Economic Development Program are each defined by Municipal Service Districts.

Main Street MSD Fund: The Main Street municipal service district is bounded by Church and King Streets to the west and east and 7th Avenue and Allen Street to the north and south. This special tax district (**\$0.28 per \$100 tax value**) funds the varied work of the City and the Main Street Advisory Committee as it relates to supporting a vibrant Main Street district. In the FY18-19 budget there is no recommended change in the property tax rate and no budgeted fund balance appropriation. Mentioned in the General Fund section, this Fund will be responsible for the payments associated with the Main Street Public Restrooms project. This project is estimated to cost \$825,000 and which a portion of will be financed through debt proceeds. Through a grant from the Tourism Development Authority and a transfer of Main St. MSD Fund fund balance, it is estimated that recurring debt service payments will total between \$25,000 and \$50,000. The MSD Fund is prepared to take on this recurring expenditure. The Fund also funds various special events and infrastructure. The total budget for the Fund is **\$475,057** in FY18-19.

7th Avenue MSD Fund: The 7th Avenue District's boundary encompasses the Avenue from Four Seasons Boulevard east to the Oklawaha Greenway and extends down Locust Street at its intersection with 7th north to 9th Avenue. The special tax district (**\$0.12 per \$100 tax value**) funds the varied work of the City and the Seventh Avenue Advisory Committee as it relates to supporting a vibrant Seventh Avenue district. In the FY18-19 budget there is no recommended change in the property tax rate and no budgeted fund balance appropriation. The Committee is also exploring the costs to make infrastructure and landscape improvements at the Historic Train Depot on 7th Avenue. The total budget for the Fund is **\$59,083** in FY18-19.

Both proposed budgets for FY18-19 were recommended for approval by their respective advisory committees. More detail can be found in the *Other Funds* section of this document.



Environmental Services

The City funds two enterprise funds relating to sanitation and stormwater. The first, is the Environmental Services Fund which provides sanitation services to rate payers within the City. The second, is the Stormwater Fund which provides stormwater infrastructure improvements, street and gutter cleaning, and maintains the City's NPDES phase II permit with the State of North Carolina.

Environmental Services Fund: The total budget for this Fund is **\$1,398,377** in FY18-19. There is no recommended changes in rates and the budget includes a fund balance appropriation of **\$198,177**. It is estimated that the actual fund balance appropriation will be less at year end. This appropriation is partly due to the purchase of non-recurring capital expenditures, including a leaf machine replacement, service truck replacement, and route software upgrade. The Fund's fund balance totals **\$620,600** as of June 30th, 2017 and is expected to decrease by approximately \$200,000 in FY17-18. This is a strong fund balance and the appropriation for FY18-19 will not be a substantial deterrent on continued sustainability. Seeing that fund balance has been required to fund non-recurring capital outlay, the Council will need to consider a more sustainable funding structure for capital needs in future years. This combined with growing service demands at the outer edges of our corporate limits, will drive the need to look at rates and revenue options in FY19-20 and beyond.

Stormwater Fund: The total budget for this Fund is **\$337,274** in FY18-19. This budget includes a rate increase on the stormwater fee from a flat rate \$2 per month to \$3 per month, a **\$1** increase. This increase is expected to generate an additional **\$100,000** in revenues for FY18-19. There is a budgeted fund balance appropriation of \$9,774 however, this is not expected to actually be appropriated at year end. The \$1 increase in rates is designated for a stormwater master plan to evaluate the Wash Creek watershed. This master plan will serve as a guide and template for other watersheds in the future. City Council directed staff to start with this study to further identify stormwater capital needs, prior to adopting a more progressive rate structure. This is the next step in the development of a full service stormwater utility. Additionally, staff have submitted applications for two separate grants to assist with Patton Park stormwater improvements and Hendersonville Elementary School runoff improvements.

More detail can be found in the *Enterprise Funds* section of this document.

Internal Service Fund

The City provides one internal service fund for the provision of health and welfare employee benefits. Internal service funds are used to account for the financing of goods or services provided by one department or agency of a governmental unit to other departments or agencies of the same governmental unit on a cost-reimbursement basis. The City's Health and Welfare Fund is adopted by ordinance as a financial plan, in accordance with North Carolina law.



Health & Welfare Fund: The total budget for this Fund is **\$362,885** in FY18-19. This Fund pays for the City’s MERP plan claims and provides other employee benefit services. These services are managed by the Wellness Committee and program. Each City fund makes annual contributions to this Fund to pay for the services provided.

Special Revenue Funds

The City supports a variety of other special revenue funds. These funds are relatively small in comparison to the other functions of the City. Some of the functions that these funds provide are related to police and fire community services, historic preservation, and the City’s Walk of Fame Committee. In total these funds make up **\$93,000** of the total budget. Their primary revenue source comes from donations or events which creates uncertainty when budgeting for revenues. Considering that uncertainty, each year we balance these budgets through fund balance appropriations rather than creating revenue accounts that may or may not be realized.



Budget in Total

The long-term revenue picture for the City of Hendersonville appears to be good. We are experiencing residential and commercial growth in all parts of the City. Local real estate agents have informed us that residential property sales continue to exceed expectations and property values have grown by at least eighteen percent since 2015. This should translate into a strong property revaluation in FY2019-20. In addition, several commercial projects are under construction and developers have recently contacted City staff regarding potential projects in the City. I expect this activity to continue for at least the next twelve months as Hendersonville solidifies its position as a major residential and commercial center in the Asheville Metropolitan Statistical Area.

The City Council has taken several bold steps over the last several years to improve its position to attract new visitors, industry and commercial development to Hendersonville. The City has supported the continued growth of Team Ecco Aquarium, Flat Rock Playhouse, and Hands on Children's Museum. All three of these non-profits agencies serve as visitor destinations. These efforts along with the significant infrastructure investments in the Main Street and 7th Avenue Municipal Service Districts are paying significant dividends in fostering private reinvestment by local property owners. The City has also made significant investment in the work of the Henderson County Economic Development Partnership's Property Investment Fund. These funds in addition to water and sewer infrastructure improvements are being used to improve our ability to bring and support world class manufacturing facilities in Henderson County.

In planning for the future, we must be vigilant in understanding how the growth of the community directly affects how existing services are provided to our citizens and visitors. Service and program costs can directly impact the long-term financial health of the City of Hendersonville. In addition, expecting City departments to maintain a high level of service in a fast growing community without additional resources will lead to low morale, significant organizational turnover and poor service. City management will work with the City Council to balance service level expectations and the needs for additional personnel and equipment. However, it must be recognized the many of our peer cities are operating on larger budgets, higher tax rates, and with more personnel.

In summary, this proposed budget is balanced in accordance with State statutes and attempts to address the priorities, which have been set by the City Council for the 2018-2019 Fiscal Year. The budget is fiscally sound, and although it does not fund all the requests made by departments or external agencies, it does address the top priority needs of the City and is set at a level to maintain a high level of service for Hendersonville citizens, customers, and partners.



My appreciation is expressed to Brian Pahle and other staff members who helped in preparing this budget.

I recommend this proposed budget for Fiscal Year 2018-2019 to the Mayor and City Council.

Respectfully submitted,



John F. Connet
City Manager



Ordinance # _____

BUDGET ORDINANCE

**AN ORDINANCE MAKING APPROPRIATIONS FOR CERTAIN EXPENSES,
CAPITAL IMPROVEMENTS AND INDEBTEDNESS OF
THE CITY OF HENDERSONVILLE, NORTH CAROLINA
FOR THE YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, the City of Hendersonville is coming to the conclusion of its fiscal year and will enter into a new fiscal year on July 1, 2018; and

WHEREAS, it is necessary and required that prior to entering into a new fiscal year a budget must be passed and adopted for the operation of the city government; and

WHEREAS, a public hearing and a work session have been held wherein the public has been notified and invited to be present.

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

SECTION 1: That the following amounts are hereby appropriated for the major governmental and proprietary budgets, together with a financial plan for internal service funds, for the City of Hendersonville and its activities for the fiscal year beginning July 1, 2018, and ending June 30, 2019, in accordance with the chart of accounts heretofore established for this City:

GOVERNMENTAL FUNDS

General Fund

General Fund

Budgeted Revenues	\$(14,754,666)
Ad Valorem Taxes	(8,559,971)
Other Taxes & Licenses	(11,000)
Unrestricted Intergovernmental	(4,712,425)
Restricted Intergovernmental	(586,520)
Permits & Fees	(403,900)
Sales & Services	(266,250)
Investment Earnings	(83,600)
Miscellaneous	(131,000)
Budgeted Expenditures	\$16,011,666
General Government	2,221,679
Police	5,543,657
Fire	2,971,163
Development Assistance	491,683
Public Works	4,042,303
Debt Service	831,181
Other Finance (Sources)/Uses	\$(1,257,000)
Proceeds of Debt	(615,000)
Transfers (In)	(30,000)
Transfers Out	-
Fund Balance Appropriated	(612,000)
Sub-Total Appropriation	\$16,011,666



Special Revenue Funds**Fire Community Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$2,000
General Administration	2,000
Other Finance (Sources)/Uses	\$(2,000)
Fund Balance Appropriated	(2,000)
Sub-Total Appropriations	\$2,000

Historic Preservation Commission Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$15,000
General Administration	15,000
Other Finance (Sources)/Uses	\$(15,000)
Fund Balance Appropriated	(15,000)
Sub-Total Appropriations	\$15,000

Kennel Club Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$7,500
General Administration	7,500
Other Finance (Sources)/Uses	\$(7,500)
Fund Balance Appropriated	(7,500)
Sub-Total Appropriations	\$7,500

Main Street MSD Fund

Budgeted Revenues	\$(475,057)
Ad Valorem Taxes	(236,873)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(173,684)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(500)
Miscellaneous	(64,000)
Budgeted Expenditures	\$475,057
Downtown Program	\$475,057
Other Finance (Sources)/Uses	\$(-)
Fund Balance Appropriated	(-)
Sub-Total Appropriations	\$475,057

Motor Unit Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$1,000
General Administration	1,000
Other Finance (Sources)/Uses	\$(1,000)
Fund Balance Appropriated	(1,000)
Sub-Total Appropriations	\$1,000



Special Revenue Funds (cont.)**Needy Persons Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$7,500
General Administration	7,500
Other Finance (Sources)/Uses	\$(7,500)
Fund Balance Appropriated	(7,500)
Sub-Total Appropriations	\$7,500

PD Federal Drug Forfeiture Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$5,000
General Administration	5,000
Other Finance (Sources)/Uses	\$(5,000)
Fund Balance Appropriated	(5,000)
Sub-Total Appropriations	\$5,000

PD State Drug Forfeiture Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$50,000
General Administration	50,000
Other Finance (Sources)/Uses	\$(50,000)
Fund Balance Appropriated	(50,000)
Sub-Total Appropriations	\$50,000

RAD Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$1,000
General Administration	1,000
Other Finance (Sources)/Uses	\$(1,000)
Fund Balance Appropriated	(1,000)
Sub-Total Appropriations	\$1,000

Seventh Avenue MSD Fund

Budgeted Revenues	\$(59,083)
Ad Valorem Taxes	(17,750)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(33,333)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(500)
Miscellaneous	(7,500)
Budgeted Expenditures	\$59,083
Downtown Program	\$59,083
Other Finance (Sources)/Uses	\$(-)
Fund Balance Appropriated	(-)
Sub-Total Appropriations	\$59,083



Special Revenue Funds (cont.)**Walk of Fame Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$4,000
General Administration	4,000
Other Finance (Sources)/Uses	\$(4,000)
Fund Balance Appropriated	(4,000)
Sub-Total Appropriations	\$4,000

PROPRIETARY FUNDS**Enterprise Funds****Environmental Services Fund**

Budgeted Revenues	\$(1,200,200)
Charges for Services	(1,185,000)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(9,000)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(5,000)
Miscellaneous	(1,200)
Budgeted Expenditures	\$1,398,377
Sanitation	1,364,749
Debt Service	33,628
Other Financing Services	\$(198,177)
Fund Balance Appropriated	(198,177)
Sub-Total Appropriations	\$1,398,377

Stormwater Fund

Budgeted Revenues	\$(327,500)
Charges for Services	(325,000)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(-)
Restricted Intergovernmental	(-)
Permits & Fees	(1,500)
Sales & Services	(-)
Investment Earnings	(1,000)
Miscellaneous	(-)
Budgeted Expenditures	\$307,274
Stormwater	307,274
Other Financing Sources	\$20,910
Fund Balance Appropriated	(9,774)
Transfer (In)	(-)
Transfers Out	30,000
Sub-Total Appropriations	\$337,274



Enterprise Funds (Cont.)**Water & Sewer Capital Reserve Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$100,000
General Administration	100,000
Other Finance (Sources)/Uses	\$(100,000)
Fund Balance Appropriated	(-)
Transfers (In)	(100,000)
Transfers Out	-
Sub-Total Appropriations	\$100,000

Water & Sewer Fund

Budgeted Revenues	\$(16,167,196)
Charges for Services	(15,349,851)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(-)
Restricted Intergovernmental	(-)
Permits & Fees	(594,945)
Sales & Services	(-)
Investment Earnings	(190,000)
Miscellaneous	(32,400)
Budgeted Expenditures	\$16,539,133
General Business	4,050,387
Facilities Maintenance	1,574,304
Water Treatment Plant	2,058,544
Operations Support	868,308
Water Distribution	2,069,755
Wastewater Treatment Plant	1,760,372
Wastewater Collection	1,830,885
Debt Service	2,326,578
Other Financing Sources	\$(371,937)
Fund Balance Appropriated	(471,937)
Transfers (In)	(-)
Transfers Out	100,000
Sub-Total Appropriations	\$16,639,133

Internal Service Funds**Health & Welfare Fund**

Budgeted Revenues	\$(362,885)
Charges for Services	(352,635)
Grant Revenue	(-)
Miscellaneous	(10,250)
Budgeted Expenditures	\$362,885
Employee Benefits	362,885
Other Financing Sources	\$(-)
Fund Balance Appropriated	(-)
Sub-Total Appropriations	\$362,885

Total Appropriations**\$35,476,475**

SECTION 2: That the attached detailed budget document be, and the same reflects the estimated revenues, revenue contributions, and budget appropriations of the City of Hendersonville, North Carolina, for the period beginning July 1, 2018, and ending June 30, 2019. A copy of said document shall be furnished to the City Clerk, City Manager and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

SECTION 3: That the City Clerk has published notice of this public hearing and a summary of the proposed budget in a newspaper of local circulation.

SECTION 4: That no appropriations for salaries shall be changed unless authorized by the Council. Appropriations between departments or divisions within one fund, other than salaries, including contingency appropriations, may be transferred therein by the City Manager for the purpose of equalizations when necessary as long as the original total appropriated balance for the fund is not changed. Appropriations within a departments, other than salaries, may be transferred by the department head to make equalizations when necessary.

SECTION 5: There is hereby levied a tax at the rate of forty-nine cents (\$0.49) per one hundred dollars valuation of property as listed for taxes as of March 1, 2018. This rate is based on an estimated total valuation of property for the purpose of taxation of \$1,787,226,986 and estimated collection rate of 98.01%.

A tax rate is also levied of twenty-eight cents (\$0.28) per one hundred dollars (\$100) valuation of property as listed for taxes as of March 1, 2018, for the Main Street Municipal Service District formed upon a petition of some of the property owners, established for the purpose of infrastructure improvements and special events in the district. This rate is based on an estimated total valuation of property for the purpose of taxation of \$86,256,402 and an estimated collection rate of 98.01%.

A tax rate is also levied of twelve cents (\$0.12) per one hundred dollars (\$100) valuation of property as listed for taxes as of March 1, 2018, for the Seventh Avenue Municipal Service District formed upon a petition of some of the property owners, established for the purpose of infrastructure improvements and special events in the district. The rate is based on an estimated total valuation of property for the purpose of taxation of \$16,386,965 and an estimated collection rate of 98.01%.

There is hereby adopted an official *Fee Schedule* listing specific fees, licenses, and utility rates charged by the City of Hendersonville for the use of City facilities and equipment for the purposes of making them available to public, specific utility rates the proceeds of which are for the maintenance and expansion of its utility systems, the reproduction of public records and other miscellaneous services to cover the actual cost of producing these documents and information under the provision of NCGS §132-6.2, and other various fees associated with enhanced direct services provided by the City.

The Fee Schedule is incorporated by reference and placed on file in the Office of the City Clerk.

SECTION 6: That the capital items identified on the following schedule and forecasted for acquisition over the upcoming five-year period be adopted as the official Capital Improvement Plan of the City of Hendersonville.

The *Capital Improvement Plan* is incorporated by reference and placed on file in the office of the City Clerk.



SECTION 7: The City's Position Allocation to Salary Range which provides all jobs and associated pay bands be adopted as the official Pay and Classification Schedule of the City of Hendersonville.

The *Pay and Classification Schedule* is incorporated by reference and placed on file in the office of the City Clerk.

SECTION 9: This ordinance shall become effective on and after July 1, 2018.

SECTION 10: That all ordinances and parts of ordinances in conflict herewith be and the same hereby repealed.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



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Ordinance # _____

CAPITAL RESERVE FUND ORDINANCE

**AN ORDINANCE SETTING CAPITAL RESERVE GUIDELINES FOR
THE CITY OF HENDERSONVILLE, NORTH CAROLINA
FOR THE YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, under North Carolina General Statute 159-18 the City of Hendersonville is authorized to establish and maintain a capital reserve for any purposes for which bonds may be issued; and

WHEREAS, the City Council deems it is in the best interest of the citizens of Hendersonville to establish a capital reserve to fund future capital improvements; and

WHEREAS, the capital reserve fund will be used in conjunction with a multi-year capital improvement program to be reviewed annually during the budget process;

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

SECTION 1 BUDGET: That the following Capital Reserve Fund (CRF) budget, purpose, anticipated revenues, and project appropriations are hereby adopted for the operation of the City of Hendersonville and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Fiscal Year 2018-19

Capital Reserve Fund Revenues

Transfer from Water and Sewer Fund	\$	100,000
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Capital Reserve Fund Expenditures

Miscellaneous Expense	\$	100,000
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Total Fund Balance	\$	-
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SECTION 2 PURPOSE: That the purpose of the City of Hendersonville CRF will be to (1) raise funds for future economic development capital projects, (2) provide greater levels of transparency and flexibility in raising and expending funds on capital projects, (3) delineate the timeframe for which revenues will be raised for and expended on capital projects, (4) display the amounts of revenues and expenditures for capital projects funded through the CRF, and (5) detail revenue sources of the fund.

This Capital Reserve Fund Ordinance will, more specifically, be established alongside the City’s Budget Ordinance to begin saving for Water and Sewer Fund related economic development projects. The City has recognized the need to fund economic development projects and desires to fund such projects through a CRF to enhance transparency and accountability.

SECTION 3 TIMEFRAME: That revenues for Water and Sewer Fund related capital projects will be raised over a period of five (5) fiscal years- from July 1, 2018 to June 30, 2023.



SECTION 4 AMOUNTS ACCUMULATED: That each fiscal year, the City will transfer \$100,000 from the Water and Sewer Fund (Fund 60) to the Capital Reserve Fund (Fund 66). The City will save \$500,000 of revenue in the CRF for future economic development projects. The City anticipates to expend \$500,000 on economic development projects.

SECTION 5 REVENUE SOURCES: That the revenue source planned for the CRF is the Water and Sewer Fund. Each year delineated, the City will transfer \$100,000 from the Water and Sewer Fund to the CRF.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



Resolution # _____

RESOLUTION OF INTENT**A RESOLUTION TO CONSIDER AND ADOPT THE RECOMMENDED CAPITAL IMPROVEMENT PLAN (CIP) AND WATER/SEWER RATE STUDY FOR THE CITY OF HENDERSONVILLE, NORTH CAROLINA FOR THE FISCAL YEAR 2018-19 THROUGH THE FISCAL YEAR 2022-23**

WHEREAS, the City of Hendersonville recognizes that a Capital Improvement Plan (CIP) enables staff and the Board to plan for a vibrant community; and

WHEREAS, the CIP is a 10-year planning tool designed to help the City plan for the repair, replacement, and acquisition of capital items; to assist in financial planning; to ensure better coordination and evaluation of projects; to provide necessary lead time for project planning, permitting, and design; and to maintain or improve the City's credit rating and fiscal health; and

WHEREAS, the recommended FY18-19 through FY22-23 CIP updates preceding budgets and CIPs of prior fiscal years; and

WHEREAS, this plan is updated annually for Board review; and

WHEREAS, the Board authorizes staff to reallocate undesignated or unused funds within the CIP and Capital Reserve Fund to support other projects that may come about in the course of this timeframe; and

WHEREAS, this flexibility in the planning and implementation of capital needs makes the City's CIP responsive to the changing needs of its community; and

WHEREAS, the Board intends to follow the recommendations of the water and sewer rate study as to provide adequate funding for the projects identified in the CIP while maintaining a strong financially sustainable fiscal position; and

WHEREAS, the Board intends to generate revenues through the County-wide real property revaluation, effective FY19-20, to provide funding for the debt service payments on General Fund projects: 7th Avenue Streetscape Project, Phase I (\$1,400,000); Capital Equipment Loan (\$615,000); Police Headquarters Project (\$8,000,000), and Public Works – Maintenance Facility Project (\$1,500,000); and

WHEREAS, this CIP will provide a vibrant future for our community and is intended to further the vision and mission of the City.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that the City of Hendersonville City Council has received and adopts the recommended Capital Improvement Plan (CIP) in conjunction with the annual City Budget for Fiscal Year 2018-2019.



Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
ADMINISTRATION		
Application for Certificate of Public Convenience & Necessity (taxicab)	\$60.00	
CDs	\$1.00	
Copy Charges (per page)		
Black	\$0.15	
Color	\$0.25	
Special Event Vendors: (per day)		
Food Vendors	\$30.00	
Non-Food Vendors	\$15.00	
DEVELOPMENT ASSISTANCE		
Administrative Review	No Charge	
Annexation Waiver, Voluntary (contiguous or satellite)	\$26.00	
Comprehensive Plan (per page)		
Black	\$0.15	
Color	\$0.25	
Conditional Use	\$200.00	
Copy Charges (per page)		
Black	\$0.15	
Color	\$0.25	
Large Format Copy	\$10.00	
Demolition Admin Fee	\$100.00	
Floodplain Development Permit	\$300.00	
Non-Conforming Use	\$100.00	
Nuisance Fee (Admin. Cost Doubles for each Offense within a Year)	Cost + \$100 Admin. Cost	
Outdoor Dining Fee (Annual)	\$0.50 per Sq. Ft.	
Sign Permits (based on cost of sign)		
Minimum	\$40.00	
\$1,000	\$45.00	
\$2,000	\$50.00	
\$3,000	\$55.00	
\$4,000	\$60.00	
\$5,000	\$65.00	
\$6,000	\$70.00	
\$7,000	\$75.00	
\$8,000	\$80.00	
\$9,000	\$85.00	
\$10,000	\$90.00	
Over \$10,000	\$40.00 per \$1000 over \$10,000	
Site Plan Reviews & Amendments		
Commercial, Industrial or Institutional		
5,000 - 19,999 square feet in floor area	\$300.00	
20,000 - 50,000 square feet in floor area	\$450.00	
Minor Planned Residential Developments		
3 - 10 dwellings	\$300.00	
11 - 50 dwellings	\$450.00	
Conditional Use Reviews & Amendments	\$100/acre (\$500 minimum)	
Street Closing Petition (\$1,000 deposit)	Actual Cost	
Subdivision Ordinance (per page)	\$0.15	
Subdivision Plats	\$20/lot	
Telecommunications Towers, Antennas and Equipment		
Basic Permit (C-3, I-1)	\$450.00	
Special Use Permit	\$2500.00 ¹	
Temporary Use Permit	\$60.00	
Traffic Impact Analysis Study	\$1,000.00	
Variance	\$75.00	
Zoning Map	\$5.00	
Zoning Ordinance (per page)	\$0.15	
Zoning Ordinance Map Amendment (Legislative Rezoning)		
Commercial or Industrial	\$275.00	
Residential < 3 acres	\$175.00	
Residential > 3 acres	\$225.00	
Zoning Ordinance Text Amendments	\$175.00	
Zoning Permit	\$50.00	

¹Applicable only to applications required to meet the additional standards contained in Section 16-4-23.4.
 Fees for towers proposed for siting in PCD or PID district are included in the fee for conditional use review.



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
FIRE DEPARTMENT		
Operational Permits		
ABC License Fee	\$50.00	
Amusement Buildings	\$50.00	
Carnival and Fairs	\$50.00	
Covered Mall Buildings	\$50.00	
Exhibits and trade shows (per event)	\$50.00	
Explosives	\$100.00	
Fire Hydrants and Valves	\$50.00	
Flammable and Combustible Liquids	\$100.00	
Fumigation and thermal insecticide fogging	\$100.00	
Private Hydrants	\$50.00	
Pyrotechnic special effects material	\$100.00	
Spraying and Dipping	\$100.00	
Temporary membrane structures, tents, and canopies (excludes special events)	\$50.00	
Construction Permits		
Automatic fire extinguishing systems	\$100.00	
Compressed gas	\$100.00	
Fire alarm and detection systems and related equipment	\$100.00	
Fire pumps and related equipment	\$100.00	
Flammable and Combustible liquids	\$100.00	
Hazardous Materials	\$100.00	
Industrial Ovens	\$100.00	
LP Gas	\$100.00	
Private fire hydrant	\$100.00	
Spraying and Dipping	\$100.00	
Standpipe systems	\$100.00	
Temporary membrane structures, tents, canopies (Fee per site) (excludes special events)	\$50.00	
General Fees		
Illegal Burn Fee	\$100.00	
Construction Plans Review		
Commercial hood suppression systems	\$100.00	
Explosives and fireworks	\$100.00	
Petroleum tanks and appurtenances	\$100.00	
Sprinkler systems and fire alarm systems:		
Minimum up to 1,000 square feet	\$50.00	
1,001 - 5,000 square feet	\$100.00	
5,001 - 10,000 square feet	\$150.00	
10,001 - 25,000 square feet	\$200.00	
25,001 - 50,000 square feet	\$250.00	
50,001 - 100,000 square feet	\$300.00	
100,001 - 200,000 square feet	\$350.00	
Over 200,000 square feet	\$400.00	
Work without a permit	\$250.00	
Fire Inspection Fees		
Minimum up to 1,000 square feet	\$50.00	
1,001 - 5,000 square feet	\$100.00	
5,001 - 10,000 square feet	\$150.00	
10,001 - 25,000 square feet	\$200.00	
25,001 - 50,000 square feet	\$250.00	
50,001 - 100,000 square feet	\$300.00	
100,001 - 200,000 square feet	\$350.00	
Over 200,000 square feet	\$400.00	
R-2 Occupancies (Apartment Complexes, etc...)		
1-20 Units	\$50.00	
21-50 Units	\$100.00	
51-100 Units	\$150.00	
101-150 Units	\$200.00	
151-200 Units	\$250.00	
201-250 Units	\$300.00	
251-300 Units	\$350.00	
Over 300 Units	\$400.00	
Re-inspections		
Re-inspection Fee (Follow-up) per re-inspection	\$100.00	
Hazardous Material Response Fees		
Engine Company Response - per engine (per hr.)	\$150.00	
Ladder/Truck Response - per ladder/truck (per hr.)	\$200.00	
Chief Officer - per officer (per hr.)	\$75.00	
Fire Marshal/Deputy Fire Marshal - per person (per hr.)	\$50.00	
Materials/Supplies Used	Actual replacement cost	
Off Duty/Call Back Personnel	Average hourly rate x 1.5	
Site Assessment Fee	\$50.00	



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
FINANCE		
Beer License - On Premises	\$15.00	
Beer License - Off Premises	\$5.00	
Carnival Permit	\$100/week + \$5 per device	
Credit Card Processing Fee (per transaction) for Tax Payments	\$2.95	\$2.95
Returned item fee	\$25.00	
Itinerant Merchant/Peddlers Permit	\$100.00	
Motor Vehicle Tag Fee	\$15.00	\$0.00
Wholesale Dealers License - Beer Only	\$37.50	
Wholesale Dealers License - Wine Only	\$37.50	
Wholesale Dealers License - Beer & Wine	\$62.50	
Wine License - On Premises	\$15.00	
Wine License - Off Premises	\$10.00	

**In accordance with G.S. 105-113.77 and G.S. 105-113.79 If a business has multiple locations in one county or city, that business will need to obtain separate ABC licenses for each location. City beer and wine taxes must increase by 10% for each additional license of the same type issued to the same taxpayer for use at a separate location. Furthermore, G.S. 105-236 applies penalties for failure to pay for and obtain local beer and wine license taxes. Operating a business without the required privilege license triggers a monthly penalty of 5% of the applicable privilege license tax, up to a total of 25%. Failure to pay the required tax triggers a separate 10% penalty. These violations are also Class 1 misdemeanors.*

POLICE		
Fingerprinting	\$10.00	
Precious Metals Dealer Background Check	\$75.00	
Precious Metals Dealer Permit	\$180.00	
Parking Fees, Fines & Penalties:		
All Other Parking Violations C.O. 50	\$25.00	
Construction parking permit (per day)	\$5.00	
Crosswalk	\$25.00	
Fire Lane	\$100.00	
Fire Hydrant	\$100.00	
Habitual Offender (3 Tickets or more in 30 days)	\$100.00	
Handicapped	\$250.00	
Limited Zone (Same Block Parking)	\$50.00	
Loading Zone/15 minute parking	\$25.00	
Monthly Parking Space - G Permit Interior	\$40.00	
Monthly Parking Space - G Permit Exterior	\$30.00	
Monthly Parking Space - R Permit Interior	\$30.00	
Monthly Parking Space - R Permit Exterior	\$20.00	
Monthly Parking Space - S Permit Interior	\$20.00	
Monthly Parking Space - S Permit Exterior	\$10.00	
Overtime/Expired meter	\$25.00	
Parking meter (per 1/2 hour)	\$0.50	
Penalty after 15 days	\$25.00	
Penalty after 30 days additional	\$50.00	
Subsequent overtime	\$50 + Doubles each O/T	

PUBLIC WORKS		
Boyd Park Mini-Golf Admission		
Adults	\$3.00	
Children	\$2.00	
Course Rental (full day - with concessions)	\$200.00	
Course Rental (full day - without concessions)	\$300.00	
Miscellaneous		
Backhoe (per hour)	\$80.00	
Building Maintenance Fees (per hour)	\$45.00	
Bush Hogs/Tractor Mowing (per hour)	\$80.00	
Electrical Usage for Special Events - 20 Amps or Less	\$25/per day	
Electrical Usage for Special Events - 21 Amps - 50 Amps	\$50/per day	
Electrical Usage for Special Events - over 50 Amps	\$100/per day	
Encroachment Permit Fee	\$10.00	
Fleet Maintenance Fees (per hour)	\$45.00	
Gas Utility Cuts (per 5' X 5' cut)	\$300.00	
Sidearm Mower Rental (per hour)	\$125.00	
Water/Flusher Truck (per load)	\$100.00	
Water/Sewer Utility Cuts	\$300.00	
Weed Eater/Hedge Trimmer (per hour)	\$40.00	
Oakdale Cemetery Lots (per grave space)		
City Resident	\$500.00	
Out of City Resident	\$1,000.00	
Infant Lots - City Resident	\$250.00	
Infant Lots - Out of City Resident	\$500.00	



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
PUBLIC WORKS		
Operation Center Room Rental Rates		
Large Assembly Room (8 a.m. - 5 p.m.)	\$50.00	
Large Assembly Room (5 p.m. - 10 p.m.)	\$25.00	
Small Assembly Room (8 a.m. - 5 p.m.)	\$10.00	
Small Assembly Room (5 p.m. - 10 p.m.)	\$5.00	
Park Usage		
Berkeley Park - Large Pavilion (May through September)	\$50/half day	
Berkeley Park - Field Usage for Organized Groups (per player per season)	\$20.00	
Patton Park - Small Pavilion	\$25/half day	
Patton Park - Large Pavilion (May through September)	\$50/half day	
Patton Park - Field Usage for Organized Groups (per player per season)	\$10.00	
Patton Pool		
Daily Admittance Fee (adults)	\$5.00	
Daily Admittance Fee (children) (3yrs or younger will be free with adult)	\$4.00	
Daily Admittance Fee (non-swimmer)	\$2.00	\$2.00
Lap Swim	\$4.00	
Punch Pass - Adult - City Resident (15 admissions)	\$38.00	
Punch Pass - Adult - Non City Resident (15 admissions)	\$60.00	
Punch Pass - Youth - City Resident (15 admissions)	\$30.00	
Punch Pass - Youth - Non City Resident (15 admissions)	\$45.00	
Season Pass - Family - City Resident	\$150.00	
Season Pass - Family - Non City Resident	\$300.00	
Season Pass - Individual Adult - City Resident	\$75.00	
Season Pass - Individual Adult - Non City Resident	\$150.00	
Season Pass - Individual Senior - City Resident	\$60.00	
Season Pass - Individual Senior - Non City Resident	\$120.00	
Season Pass - Individual Youth - City Resident	\$60.00	
Season Pass - Individual Youth - Non City Resident	\$120.00	
Sanitation Services		
<i>Commercial Services</i>		
Commercial Recycling Collection (up to four 65 gallon carts emptied once per week)	\$12.00	
Commercial Recycling Collection (up to four 65 gallon carts emptied twice per week)	\$22.00	
Commercial-Business refuse pickup per can (96-gal)	\$27.50	
Commercial-Business refuse pickup per can (96-gal) (Actively Recycles)	\$24.00	
<i>Residential Services</i>		
Residential - 96-gal container (non recycler)	\$22.00	
Residential - 96-gal container (actively recycles)	\$18.50	
Residential - 32-gal container (non recycler)	\$20.00	
Residential - 32-gal container (actively recycles)	\$16.25	
Small Special load (collected with pickup truck and city staff)	\$50.00	
Special Loads (tipping fee added to special fee) (collected with knuckleboom using city staff)	\$150.00	
Stolen/Damaged Cart Replacement Fee	\$100.00	
Stormwater Services		
Stormwater Monthly Fee	\$3.00	\$2.00
Stormwater Permit Fee	\$520.00	\$500.00



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
Water Rate Schedule		
De posits		
Water & Sewer Service Deposit ¹	\$100.00	
<i>Inside City Limits</i>		
Base Charge by Meter Size		
3/4"	\$5.68	
1"	\$6.73	
1 1/2"	\$9.34	
2"	\$12.47	
3"	\$19.80	
4"	\$30.26	
6"	\$56.40	
8"	\$87.77	
Volumetric Charges		
Residential		
0 to 6,000 gallons	\$2.85 per 1000 gallons	
6,000 to 14,000 gallons	\$3.14 per 1000 gallons	
14,000 gallons and greater	\$3.56 per 1000 gallons	
Commercial/Industrial		
0 to 40,000 gallons	\$2.85 per 1000 gallons	
40,000 to 200,000 gallons	\$2.35 per 1000 gallons	
200,000 gallons and greater	\$2.22 per 1000 gallons	
Irrigation		
0 to 40,000 gallons	\$3.56 per 1000 gallons	
40,000 gallons and greater	\$3.56 per 1000 gallons	
<i>Outside City Limits</i>		
Base Charge by Meter Size		
3/4"	\$8.52	
1"	\$10.09	
1 1/2"	\$14.00	
2"	\$18.71	
3"	\$29.70	
4"	\$45.39	
6"	\$84.59	
8"	\$131.66	
Volumetric Charges		
Residential		
0 to 6,000 gallons	\$4.28 per 1000 gallons	
6,000 to 14,000 gallons	\$4.70 per 1000 gallons	
14,000 gallons and greater	\$5.34 per 1000 gallons	
Commercial/Industrial		
0 to 40,000 gallons	\$4.28 per 1000 gallons	
40,000 to 200,000 gallons	\$3.52 per 1000 gallons	
200,000 gallons and greater	\$3.33 per 1000 gallons	
Irrigation		
0 to 40,000 gallons	\$5.34 per 1000 gallons	
40,000 gallons and greater	\$5.34 per 1000 gallons	
<i>Wholesale</i>		
Base Charge by Meter Size		
3/4"	\$8.52	
1"	\$10.09	
1 1/2"	\$14.00	
2"	\$18.71	
3"	\$29.70	
4"	\$45.39	
6"	\$84.59	
8"	\$131.66	
Volumetric Charges		
All Usage	\$2.85 per 1000 gallons	
Bulk Water	\$5.35 per 1000 gallons	
<i>Other Customers</i>		
Public Schools		
Base Charge per Account	\$5.68 per month	
All Usage	\$2.85 per 1000 gallons	

See RateStudy Recommendations



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
<i>Water Fee Schedule</i>		
Taps & Connections		
Water Tap, 5/8"	\$1,000.00	
Water Tap, 1"	\$1,400.00	
Water Taps > 1"	Cost plus 10%	
Water - Stub Out	\$600.00	
Irrigation Tee, 5/8"	\$600.00	
Meters		
Turn On/Off/Set Meter During Business Hours	\$40.00	
Turn On/Off/Set Meter After Business Hours	\$100.00	
Meter Tampering Fee	\$250.00	
Test Meter, at customer's request (<1-in.); if meter faulty - No Charge	\$45.00	
Test Meter, at customer's request (>1-in.); if meter faulty - No Charge	Cost plus 10%	
Engineering Review Fees		
Line Extensions	\$300.00	
Pump Stations	\$75.00	
Storage Tanks	\$75.00	
Miscellaneous Fees		
Assist with Fire Hydrant Flow/Pressure Testing Conducted by Others	\$50.00	
Chemical Analysis of Water	Cost plus 10%	
Credit Card Processing Fee	\$2.95	\$2.95
Drill for Main Tap, Cost/Inch of Diameter	\$150.00	
Fire Hydrant Installation	Cost plus 10%	
Illegal Use of Fire Hydrant/Tampering Fee	\$500 + Damages	
Premise Visit	\$40.00	
Reconnection of Service at Main	Cost plus 10%	
Replace Removed Meter due to additional usage after non-payment cut-off		
During Business Hours	\$75.00	
After Business Hours	\$100.00	
Water Conservation Incentives Program Rebate Schedule		
Clothes Washer (\$75 min; \$150 max) - Limit one per account	15% of purchase price	
High-Efficiency Toilet (\$25 min; \$100 max) - Limit 2 per residential account	15% of purchase price	
Customer-Side Shut-Off Valve - Limit one per account	\$75.00	
Weather-Based Irrigation System Controller - Limit one per account	**50% of purchase price or \$200, whichever is less	
<i>Limited number of rebates offered annually.</i>		



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year	
WATER AND SEWER			
Sewer Rate Schedule			
<i>Inside City Limits</i>			
Base Charge by Meter Size			
3/4"	\$7.21	See RateStudy Recommendations	
1"	\$8.66		
1 1/2"	\$12.25		
2"	\$16.56		
3"	\$26.65		
4"	\$41.06		
6"	\$77.04		
8"	\$120.24		
Volumetric Charges			
All Usage	\$5.05 per 1000 gallons		
<i>Outside City Limits</i>			
Base Charge by Meter Size			
3/4"	\$10.82		
1"	\$12.99		
1 1/2"	\$18.37		
2"	\$24.84		
3"	\$39.97		
4"	\$61.58		
6"	\$115.56		
8"	\$180.35		
Volumetric Charges			
All Usage	\$7.58 per 1000 gallons		
<i>Wholesale</i>			
Base Charge by Meter Size			
3/4"	\$10.82		
1"	\$12.99		
1 1/2"	\$18.37		
2"	\$24.84		
3"	\$39.97		
4"	\$61.58		
6"	\$115.56		
8"	\$180.35		
Volumetric Charges			
All Usage	\$7.58 per 1000 gallons		
<i>Other Customers</i>			
Public Schools			
Base Charge per Account	\$7.21		
All Usage	\$5.05 per 1000 gallons		
Internal Sewer			
Base Charge per Account	See Wholesale Charges		
All Usage	\$7.58 per 1000 gallons		
Henderson County Sewer			
Base Charge per Account	See Wholesale Charges		
All Usage	\$7.58 per 1000 gallons		

Note: These sewer rates are not applicable to the Cane Creek Sanitary Sewer District



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
Sewer Fee Schedule		
Taps and Connections		
Sewer Taps, 4" gravity sewer tap	\$1,500.00	
Fee per 6" gravity sewer tap	\$1,800.00	
Fee per 8" gravity sewer tap	\$2,000.00	
Surcharges		
BOD (biochemical oxygen demand), per lb. in excess of 250-mg/l	\$0.25	
TSR (total suspended residue), per lb. in excess of 250-mg/l	\$0.15	
Ammonia nitrogen, per lb. in excess of 30-mg/l	\$1.50	
Engineering Review Fees		
Line Extensions	\$300.00	
Pump Stations	\$75.00	
Miscellaneous Fees		
Concrete Core Drill (manhole), Cost/Inch of Diameter	\$150.00	
Drill for Main Tap, Cost/Inch of Diameter	\$100.00	
Food Services Sewer Connection Application Fee	\$75.00	
Nondischarge Permit Fee	\$300.00	
Premise Visit	\$40.00	
Pretreatment Program	Cost of Program Per SIU	
Septic Tank Waste Disposal, per 1000-gallons	\$60.00	
Septic Tank Waste Disposal Permit	\$75.00	
Equipment Usage (hourly rates)		
Rubber-Tired Backhoe, Small	\$33.00	
Rubber-Tired Backhoe, Large	\$38.00	
Mini-Excavator, 8,000-lb	\$18.00	
Mini-Excavator, 12,000-lb	\$39.00	
Excavator, 30,000-lb	\$65.00	
Vac Truck	\$75.00	
Dump Truck (single-axle), Small	\$20.00	
Dump Truck (single-axle), Large	\$35.00	
Dump Truck (dual axle)	\$55.00	\$0.00
Dump Truck (triaxle)	\$65.00	
Pick-Up Truck	\$14.00	
Harben	\$25.00	
Camera Truck	\$75.00	
Air Compressor	\$20.00	
Air Hammer/Pusher	\$0.65	
Soil Tamp	\$20.00	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
Environmental Services		Leaf Machine Replacement	90,000	30,000	-	-	30,000	-	-	30,000	-	-	-	-	ESF Cash
		Replace Equip# 16-01 (2006 Chevy 1500)	35,000	35,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Route Software	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
	2019 Total		155,000	95,000	-	-	30,000	-	-	30,000	-	-	-	-	
		Replace Equip# 52-02 (2011 CNG Sweeper)	250,000	-	250,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		600,000	-	200,000	-	200,000	-	200,000	-	-	-	-	-	ESF Cash
	Replace 22-16(2013 Bnsh Truck)	850,000	-	450,000	-	200,000	-	200,000	-	-	-	-	-		
2021 Total		130,000	-	-	130,000	-	-	-	-	-	-	-	-	GF Cash	
		130,000	-	-	130,000	-	-	-	-	-	-	-	-		
Environmental Services Total			1,135,000	95,000	450,000	130,000	230,000	-	200,000	30,000	-	-	-	-	
Fire		Life Safety Trailer w/Lettering	7,500	7,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Chevy Astro Van	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Fire Department Nozzles and Hose	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Multi Gas Monitors (Year 2 of 2) - Recurring every 4 years	28,000	8,000	-	-	-	-	10,000	10,000	-	-	-	-	GF Cash
	2019 Total		95,500	75,500	-	-	-	-	10,000	10,000	-	-	-	-	
		Renovation of Fire Station 1	1,125,000	-	1,125,000	-	-	-	-	-	-	-	-	-	Loan
		Replace Extrication Equipment (Over 3 Years)	60,000	-	15,000	15,000	30,000	-	-	-	-	-	-	-	GF Cash
		Replace Fire Station 1 Pick-Up	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Tablet Replacement -- Recurring every 3 years	45,000	-	15,000	-	-	-	15,000	-	-	15,000	-	-	GF Cash
		Training/Logistics Vehicle	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		1,295,000	-	1,220,000	15,000	30,000	15,000	-	-	-	15,000	-	-	
		Fire Station 3	2,500,000	-	-	2,500,000	-	-	-	-	-	-	-	-	Loan
		Purchase a n additional Engine or Quint for Station 3	800,000	-	-	800,000	-	-	-	-	-	-	-	-	Loan
		Replace Deputy Chief Vehicle	50,000	-	-	50,000	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		3,350,000	-	-	3,350,000	-	-	-	-	-	-	-	-	
		Replacement of Ladder One.	1,500,000	-	-	-	1,500,000	-	-	-	-	-	-	-	Loan
		Thermal Imaging Camera Replacement (Over two years) -- Recurring every 5 years	90,000	-	-	-	30,000	15,000	-	-	-	-	30,000	15,000	GF Cash
	2022 Total		1,590,000	-	-	-	1,530,000	15,000	-	-	-	-	30,000	15,000	
		Fire & Life Safety Educator Vehicle	35,000	-	-	-	-	-	35,000	-	-	-	-	-	GF Cash
		Forcible Entry Prop	8,500	-	-	-	-	-	8,500	-	-	-	-	-	GF Cash
		Kubota RTU 900 w/ Trailer	27,500	-	-	-	-	-	27,500	-	-	-	-	-	GF Cash
		Replace Engine 3 (Engine 1 will go into Reserve)	800,000	-	-	-	-	-	800,000	-	-	-	-	-	Loan
	2023 Total		871,000	-	-	-	-	-	871,000	-	-	-	-	-	
		Commission on Fire Accreditation International -- Applicant Agency	16,250	-	-	-	-	-	-	6,250	-	10,000	-	-	GF Cash
	Fire Department Training Facility	20,000	-	-	-	-	-	-	20,000	-	-	-	-	Loan	
	Replace Station Lawnmowers (Over 2 Years)	15,000	-	-	-	-	-	-	7,500	7,500	-	-	-	GF Cash	
	Replacement of Self-Contained Breathing Apparatus	300,000	-	-	-	-	-	-	300,000	-	-	-	-	Loan	
2024 Total		351,250	-	-	-	-	-	-	333,750	7,500	10,000	-	-		
	Fire Department Training Facility	200,000	-	-	-	-	-	-	-	200,000	-	-	-	Loan	
	Replace AED's	60,000	-	-	-	-	-	-	-	60,000	-	-	-	GF Cash	
	Replace Assistant Fire Marshal Vehicle	40,000	-	-	-	-	-	-	-	40,000	-	-	-	GF Cash	
	Replace Station 1 Breathing Air Compressor	85,000	-	-	-	-	-	-	-	85,000	-	-	-	GF Cash	
2025 Total		385,000	-	-	-	-	-	-	-	385,000	-	-	-		
	Purchase a Service/Rescue Company for Station 1	800,000	-	-	-	-	-	-	-	-	800,000	-	-	Loan	
	Replace Fire Chief Vehicle	50,000	-	-	-	-	-	-	-	-	50,000	-	-	GF Cash	
	Vehicle Stabilization Struts	15,000	-	-	-	-	-	-	-	-	15,000	-	-	GF Cash	
2026 Total		865,000	-	-	-	-	-	-	-	-	865,000	-	-		
	Replace Engine 4 (Engine 2 will go into Reserve)	800,000	-	-	-	-	-	-	-	-	-	800,000	-	Loan	
	Replace Exercise Equipment	25,000	-	-	-	-	-	-	-	-	-	25,000	-	GF Cash	
	Replace Fire Inspector Vehicle	30,000	-	-	-	-	-	-	-	-	-	30,000	-	GF Cash	
2027 Total		855,000	-	-	-	-	-	-	-	-	-	855,000	-		
	Replace Fire Marshal Vehicle	45,000	-	-	-	-	-	-	-	-	-	-	45,000	GF Cash	
2028 Total		45,000	-	-	-	-	-	-	-	-	-	-	45,000		
Fire Total			9,702,750	75,500	1,220,000	3,365,000	1,560,000	911,000	343,750	392,500	890,000	885,000	60,000	-	
Police		Laptop Replacements	61,000	17,000	-	-	-	-	22,000	-	-	-	-	-	GF Cash
		Police Headquarters Project	8,000,000	8,000,000	-	-	-	-	-	-	-	-	-	-	Loan
		SRO Vehicle 1	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		SRO Vehicle 2	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		SRO Vehicle 3	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Surveillance Cameras	15,000	15,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-03	48,500	48,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-33	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-43	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-34	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
	2019 Total		8,408,500	8,359,500	-	-	-	-	-	22,000	22,000	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		Livescan	18,000	-	10,000	-	-	-	-	-	-	-	8,000	-	GF Cash
		Vehicle Replacement 01-45	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-46	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-49	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-10	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-17	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-18	48,500	-	48,500	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		286,000	-	278,000	-	-	-	-	-	-	-	8,000	-	
		Vehicle Replacement 01-09	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-12	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-41	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-42	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-09	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-19	46,500	-	-	46,500	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		246,500	-	-	246,500	-	-	-	-	-	-	-	-	
		Domain Server Replacement	10,000	-	-	-	10,000	-	-	-	-	-	-	-	GF Cash
		Netmon Server Replacement	10,000	-	-	-	10,000	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-14	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-16	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-17	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-18	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-35	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-39	40,000	-	-	-	40,000	-	-	-	-	-	-	-	GF Cash
	2022 Total		292,500	-	-	-	292,500	-	-	-	-	-	-	-	
		Vehicle Replacement 01-05	40,000	-	-	-	-	40,000	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-19	48,500	-	-	-	-	48,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-51	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-52	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-53	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
	2023 Total		228,000	-	-	-	-	228,000	-	-	-	-	-	-	
		911 Computer Replacement (all 911 funds)	10,000	-	-	-	-	-	10,000	-	-	-	-	-	N/A
	2024 Total		10,000	-	-	-	-	-	10,000	-	-	-	-	-	
		911 Voice Logger (all 911 funds)	30,000	-	-	-	-	-	-	30,000	-	-	-	-	N/A
	2025 Total		30,000	-	-	-	-	-	-	30,000	-	-	-	-	
Police Total			9,496,500	8,359,500	278,000	246,500	292,500	228,000	32,000	52,000	-	-	8,000	-	
Public Works		7th Avenue Streetscape Improvements, Phase 1	1,400,000	1,400,000	-	-	-	-	-	-	-	-	-	-	Loan
		City Hall HVAC Replacement	70,000	70,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Diagnostic Equipment for Large Trucks	11,000	11,000	-	-	-	-	-	-	-	-	-	-	GF/WS Cash
		Equipment Trailer	7,000	7,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Flammable Storage Cabinets	5,000	5,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Floor Covering Repairs at City Ops	25,000	25,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Main Street Public Restrooms	825,000	825,000	-	-	-	-	-	-	-	-	-	-	Loan
		Mill Project Streetscape	700,000	700,000	-	-	-	-	-	-	-	-	-	-	Loan
		Motor Vehicle Replacements	357,500	55,000	55,000	-	27,500	55,000	-	27,500	55,000	-	27,500	55,000	GF Cash
		Patton Park Picnic Shed Re-roof	9,500	9,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		PW-Maintenance Building	1,500,000	1,500,000	-	-	-	-	-	-	-	-	-	-	Loan
		Repair Patton Playground Structure	7,000	7,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Carpet at Mini-Golf	12,000	12,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Resurface Whimire Building Parking Lot and Install New Parking at Tom's Park	120,000	120,000	-	-	-	-	-	-	-	-	-	-	Loan
		Salt Spreaders	28,000	14,000	14,000	-	-	-	-	-	-	-	-	-	GF Cash
		Snow Bldes	20,000	10,000	10,000	-	-	-	-	-	-	-	-	-	GF Cash
		Street Dept. Walk Saw	6,000	6,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Sullivan Park Playground Improvements	25,000	25,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Traffic Signal Cabinet Replacements	136,000	17,000	17,000	-	17,000	17,000	-	17,000	17,000	-	17,000	17,000	GF Cash
		Two Post Vehicle Lift	9,000	9,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Wayfinding/Gateway Signage	36,000	12,000	12,000	12,000	-	-	-	-	-	-	-	-	GF Cash
		Whimire Building Floor Replacement	30,000	30,000	-	-	-	-	-	-	-	-	-	-	Loan
		Zero Turn Mower Replacement	154,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	GF Cash
	2019 Total		5,493,000	4,883,500	122,000	26,000	58,500	86,000	14,000	58,500	86,000	14,000	58,500	86,000	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		Air Compressor Replacement	18,000	-	18,000	-	-	-	-	-	-	-	-	-	GF Cash
		Asphalt Roller Replacement	65,000	-	65,000	-	-	-	-	-	-	-	-	-	GF Cash
		Berkeley outfield irrigation	20,000	-	20,000	-	-	-	-	-	-	-	-	-	GF Cash
		City Hall Roof Enclosure	390,000	-	390,000	-	-	-	-	-	-	-	-	-	GF Cash
		Expand Greenway Parking	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Forklift Replacement	11,000	-	11,000	-	-	-	-	-	-	-	-	-	GF Cash
		Gym Equipment for City Ops	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Hendersonville Gateway Park	110,000	-	110,000	-	-	-	-	-	-	-	-	-	GF Cash
		Install Ozonator	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Landscape Trailer Replacement	5,000	-	5,000	-	-	-	-	-	-	-	-	-	GF Cash
		Main Street Electrical Panel Upgrade	47,000	-	12,000	7,000	7,000	7,000	7,000	7,000	-	-	-	-	GF Cash
		Painting Contract for City Buildings	180,000	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	-	GF Cash
		Patton Ball Field Electrical Panel	10,000	-	10,000	-	-	-	-	-	-	-	-	-	GF Cash
		Patton Park Tennis Court Lights	36,000	-	36,000	-	-	-	-	-	-	-	-	-	GF Cash
		Patton Pool Electrical Panel Upgrade	6,000	-	6,000	-	-	-	-	-	-	-	-	-	GF Cash
		Pressure Washer for Wash Bay	5,000	-	5,000	-	-	-	-	-	-	-	-	-	GF Cash
		Purchase Hybrid Dump Trailer	7,000	-	7,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace A/C Service Machine	7,000	-	7,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Diving Board Stands	20,000	-	20,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 11-07 (2008 Service Van)	14,000	-	14,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 16-04 (2002 F250 Sign Truck)	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 17-11 (1995 Ford F350 Flat Bed)	45,000	-	45,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 44-02 (1997 New Holland Backhoe)	80,000	-	80,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Mini-Excavator	55,000	-	55,000	-	-	-	-	-	-	-	-	-	GF Cash
		Scissor Lift	30,000	-	30,000	-	-	-	-	-	-	-	-	-	GF Cash
		Utility Vehicle Replacement	19,000	-	19,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		1,310,000	-	1,115,000	27,000	27,000	27,000	27,000	27,000	20,000	20,000	20,000	-	
		Berkely Park Bathrooms	125,000	-	-	125,000	-	-	-	-	-	-	-	-	GF Cash
		Bucket Truck Replacement	150,000	-	-	150,000	-	-	-	-	-	-	-	-	GF Cash
		Conflict Monitor Tester	15,000	-	-	15,000	-	-	-	-	-	-	-	-	GF Cash
		Patton Park Pedestrian Bridge and Vehicular Bridge Replacement	70,000	-	-	70,000	-	-	-	-	-	-	-	-	GF Cash
		Replace# 18-05 (1994 Ford F700 Dump Truck)	90,000	-	-	90,000	-	-	-	-	-	-	-	-	GF Cash
		Replace 3 A/c Units at City Operations	35,000	-	-	35,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 11-01 (2007 Service Van)	14,000	-	-	14,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 17-16 (2006 F350 Service Body Truck)	60,000	-	-	60,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 18-01 (2000 F450 Dump Truck)	45,000	-	-	45,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 42-05 (2005 loader tractor)	45,000	-	-	45,000	-	-	-	-	-	-	-	-	GF Cash
		Re-Roof Whitmire Building	30,000	-	-	30,000	-	-	-	-	-	-	-	-	GF Cash
		Rotary Park Playground Equipment	15,000	-	-	15,000	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		694,000	-	-	694,000	-	-	-	-	-	-	-	-	
		Columbarium at Oakdale Cemetery	18,000	-	-	-	18,000	-	-	-	-	-	-	-	GF Cash
		New A/C Machine for New Freon Requirements	8,000	-	-	-	8,000	-	-	-	-	-	-	-	GF Cash
		Redesign and Re-roof City Garage	100,000	-	-	-	100,000	-	-	-	-	-	-	-	GF Cash
		Remanite Pool	150,000	-	-	-	150,000	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 22-05 (2007 Pothole Patcher)	200,000	-	-	-	200,000	-	-	-	-	-	-	-	GF Cash
		Splash Pad or Water Slide	400,000	-	-	-	400,000	-	-	-	-	-	-	-	GF Cash
	2022 Total		876,000	-	-	-	876,000	-	-	-	-	-	-	-	
		Southside Park Development	2,400,000	-	-	-	-	2,400,000	-	-	-	-	-	-	Loan
		West Lake Avenue Widening ROW	400,000	-	-	-	-	400,000	-	-	-	-	-	-	Loan
	2023 Total		2,800,000	-	-	-	-	2,800,000	-	-	-	-	-	-	
	Public Works Total		11,173,000	4,883,500	1,237,000	747,000	961,500	2,913,000	41,000	85,500	106,000	34,000	78,500	86,000	
	Stormwater	Hendersonville Elementary Runoff Improvements	30,000	30,000	-	-	-	-	-	-	-	-	-	-	SW Cash
	2019 Total		30,000	30,000	-	-	-	-	-	-	-	-	-	-	
	Stormwater Total		30,000	30,000	-	-	-	-	-	-	-	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
Water & Sewer		District Metering and Pump Station Metering	350,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	WS Cash
		Etowah Water System Improvements	4,200,000	4,200,000	-	-	-	-	-	-	-	-	-	-	Loan
		Front-end Loader Replacement (50-01)	105,000	105,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Garden Lane Pump Station Upgrade/Deck	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Generators and ATS	316,000	158,000	158,000	-	-	-	-	-	-	-	-	-	WS Cash
		Motor Vehicle Replacement	2,140,000	140,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	WS Cash
		NCDOT Old Airport Road	700,000	700,000	-	-	-	-	-	-	-	-	-	-	Loan
		NCDOT Shepherd/Erkwood	300,000	300,000	-	-	-	-	-	-	-	-	-	-	Loan
		Northside (Fletcher Area) Water System Improvements	3,600,000	3,600,000	-	-	-	-	-	-	-	-	-	-	Loan
		Pump Station Metering and Weather Stations	150,000	50,000	50,000	50,000	-	-	-	-	-	-	-	-	WS Cash
		Replace Gutters on Metal Buildings at Ewart Hill	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Rubber-tired Backhoe Replacement (44-07)	75,000	75,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		SCADA Distribution Systems	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		SCADA System Servers	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Streambank Restoration-SRF	2,336,000	2,336,000	-	-	-	-	-	-	-	-	-	-	Loan
		U.S. Highway 64 E / Highland Square Sanitary Sewer Improvements	146,000	146,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		WTP Expansions, from 12-MGD to 15-MGD to 18-MGD	5,599,000	237,000	1,150,000	-	-	-	-	-	-	-	-	-	4,212,000
		WTP Pumps and Equipment Upgrade	2,574,000	2,574,000	-	-	-	-	-	-	-	-	-	-	Reserves
		WWTP Generator & ATS	912,500	912,500	-	-	-	-	-	-	-	-	-	-	Reserves
		WWTP Gravity Filter Replacement	2,300,000	2,300,000	-	-	-	-	-	-	-	-	-	-	Reserves
	WWTP Lawnmower	20,000	20,000	-	-	-	-	-	-	-	-	-	-	WS Cash	
	WWTP Upgrade SCADA Equipment and VFDS	300,000	300,000	-	-	-	-	-	-	-	-	-	-	WS Cash	
	2019 Total		26,243,500	18,323,500	1,608,000	300,000	250,000	250,000	250,000	250,000	200,000	200,000	200,000	4,412,000	
		Bradley Creek Dredging	200,000	-	100,000	100,000	-	-	-	-	-	-	-	-	WS Cash
		Eastside Transmission Main, Phase 2 and 3	5,100,000	-	5,100,000	-	-	-	-	-	-	-	-	-	Loan
		Equipment Shed and Parking Lot	200,000	-	200,000	-	-	-	-	-	-	-	-	-	WS Cash
		French Broad River Raw Water Intake and Pump Station, Phase 2	5,925,000	-	5,925,000	-	-	-	-	-	-	-	-	-	Loan
		Trench Roller/Compactor	67,500	-	67,500	-	-	-	-	-	-	-	-	-	WS Cash
		WTP Waterproofing & Basin Repair	300,000	-	300,000	-	-	-	-	-	-	-	-	-	Loan
		WWTP Sludge Drying System	4,100,000	-	4,100,000	-	-	-	-	-	-	-	-	-	Loan
	2020 Total		15,892,500	-	15,792,500	100,000	-	-	-	-	-	-	-	-	
		Air Compressor Replacements - Water	40,000	-	-	20,000	20,000	-	-	-	-	-	-	-	WS Cash
		Dump Truck Replacement (22-01)	80,000	-	-	80,000	-	-	-	-	-	-	-	-	WS Cash
		NCDOT Highland Lake Rd	100,000	-	-	100,000	-	-	-	-	-	-	-	-	Loan
	2021 Total		220,000	-	-	200,000	20,000	-	-	-	-	-	-	-	
		Brookwood Sewer Pump Station Replacement	350,000	-	-	-	350,000	-	-	-	-	-	-	-	WS Cash
		Equipment Trailer Replacements - Sewer	30,000	-	-	-	30,000	-	-	-	-	-	-	-	WS Cash
		Ewart Hill 5.0 MG Storage Reservoir Replacement	3,843,000	-	-	-	3,843,000	-	-	-	-	-	-	-	Loan
		NCDOT Kanuga	2,700,000	-	-	-	2,700,000	-	-	-	-	-	-	-	Loan
		Rubber-tired Backhoe Replacement (44-06)	75,000	-	-	-	75,000	-	-	-	-	-	-	-	WS Cash
	Shoring Box Replacement	30,000	-	-	-	30,000	-	-	-	-	-	-	-	WS Cash	
	2022 Total		7,028,000	-	-	-	7,028,000	-	-	-	-	-	-	-	
		16-inch Transmission Water Main from WTP to Ewart Hill Slip Lining	3,881,000	-	-	-	-	3,881,000	-	-	-	-	-	-	Loan
		7th Ave Residential Sanitary Sewer and Water Improvements	906,000	-	-	-	-	906,000	-	-	-	-	-	-	Loan
		CCTV Generator Replacement	7,500	-	-	-	-	7,500	-	-	-	-	-	-	WS Cash
		Dump Truck 1-1/2 Ton Replacement (17-05)	80,000	-	-	-	-	80,000	-	-	-	-	-	-	WS Cash
		NCDOT Blythe	2,500,000	-	-	-	-	2,500,000	-	-	-	-	-	-	Loan
		NCDOT HWY 64	600,000	-	-	-	-	600,000	-	-	-	-	-	-	Loan
		NCDOT White St/ South Main	2,000,000	-	-	-	-	2,000,000	-	-	-	-	-	-	Loan
		Upward Road Water Main Upgrade	870,000	-	-	-	-	870,000	-	-	-	-	-	-	Loan
	2023 Total		10,844,500	-	-	-	-	10,844,500	-	-	-	-	-	-	
		Dana Rd. Water Main Extension	1,800,000	-	-	-	-	-	1,800,000	-	-	-	-	-	Loan
		Excavator, 6500-lb. - Replacement (44-08)	80,000	-	-	-	-	-	80,000	-	-	-	-	-	WS Cash
		Long John Mountain Interconnect, Pump Stations and Storage Tank	5,200,000	-	-	-	-	-	5,200,000	-	-	-	-	-	Loan
		NCDOT 191	11,000,000	-	-	-	-	-	11,000,000	-	-	-	-	-	Loan
		North Fork Raw Water Line Slip Lining	3,881,000	-	-	-	-	-	3,881,000	-	-	-	-	-	Loan
	Smokey Ridge Apts Sewer Pump Station	400,000	-	-	-	-	-	400,000	-	-	-	-	-	Loan	
	2024 Total		22,361,000	-	-	-	-	-	22,361,000	-	-	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		All Terrain Vehicle	16,000	-	-	-	-	-	-	16,000	-	-	-	-	WS Cash
		Bradley Creek Raw Water Line Slip Lining	2,890,000	-	-	-	-	-	-	2,890,000	-	-	-	-	Loan
		Dump Truck Replacement (22-07)	80,000	-	-	-	-	-	-	80,000	-	-	-	-	WS Cash
		Dump Truck, Single-axle - Replacement (22-13)	80,000	-	-	-	-	-	-	80,000	-	-	-	-	WS Cash
		Sewer Vactor Truck Replacement (29-05)	754,000	-	-	-	-	-	-	754,000	-	-	-	-	Loan
	2025 Total		3,820,000	-	-	-	-	-	-	3,820,000	-	-	-	-	
		Dump Truck 1-1/2 Ton Replacement (17-21)	135,000	-	-	-	-	-	-	-	135,000	-	-	-	WS Cash
		Dump Truck Replacement Single-Axle (22-12)	90,000	-	-	-	-	-	-	-	90,000	-	-	-	WS Cash
		Dump Truck, Dual-Axle - Replacement (22-20)	150,000	-	-	-	-	-	-	-	150,000	-	-	-	WS Cash
		Dump Truck, Triaxle - Replacement (22-17)	150,000	-	-	-	-	-	-	-	150,000	-	-	-	WS Cash
		Excavator, 12,000-lb - Replacement (44-11)	75,000	-	-	-	-	-	-	-	75,000	-	-	-	WS Cash
		Excavator, 12,000-lb - Replacement (44-17)	75,000	-	-	-	-	-	-	-	75,000	-	-	-	WS Cash
		Excavator, 33,000-lb - Replacement (44-16)	136,000	-	-	-	-	-	-	-	136,000	-	-	-	WS Cash
		NCDOT I-26	1,000,000	-	-	-	-	-	-	-	1,000,000	-	-	-	Loan
		Skid Steer ROW Clearing Equipment (50-03)	69,000	-	-	-	-	-	-	-	69,000	-	-	-	WS Cash
		WWTP Expansion, 6.0MGD	210,000	-	-	-	-	-	-	-	210,000	-	-	-	WS Cash
	2026 Total		2,090,000	-	-	-	-	-	-	-	2,090,000	-	-	-	
		AMI Metering Infrastructure Replacement	12,000,000	-	-	-	-	-	-	-	-	-	12,000,000	-	Loan
		CCTV Sewer Inspection Vehicle	400,000	-	-	-	-	-	-	-	-	-	400,000	-	WS Cash
		Mills River Raw Water Intake Relocation	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	-	Loan
		NCDOT Balfour Parkway	1,900,000	-	-	-	-	-	-	-	-	-	1,900,000	-	Loan
		WWTP EQ Basin	6,000,000	-	-	-	-	-	-	-	-	-	6,000,000	-	WS Cash
	2028 Total		21,300,000	-	-	-	-	-	-	-	-	-	21,300,000	-	
	2028+	1st Avenue W and Oak St Sanitary Sewer and Water Improvements	795,000	-	-	-	-	-	-	-	-	-	-	795,000	Loan
		Druid Hills Sanitary Sewer and Water Improvements	4,116,000	-	-	-	-	-	-	-	-	-	-	4,116,000	Loan
		Faingrounds Avenue (E- Flat Rock Area) - Repair and Replacement Project	1,645,000	-	-	-	-	-	-	-	-	-	-	1,645,000	Loan
		Florida Ave Water and Sewer Improvements	1,059,000	-	-	-	-	-	-	-	-	-	-	1,059,000	Loan
		Fruitland Rd. Water Main Extension	1,980,000	-	-	-	-	-	-	-	-	-	-	1,980,000	Loan
		Howard Gap Rd. Water Extension Mid	1,960,000	-	-	-	-	-	-	-	-	-	-	1,960,000	WS Cash
		Howard Gap Rd. Water Extension North End	1,200,000	-	-	-	-	-	-	-	-	-	-	1,200,000	Loan
		Mud Creek Interceptor Replacement, Phase 1	1,281,000	-	-	-	-	-	-	-	-	-	-	1,281,000	Loan
		Mud Creek Sewer Interceptor Replacement, Phase 2	850,000	-	-	-	-	-	-	-	-	-	-	850,000	Loan
		Mud Creek Sewer Interceptor Replacement, Phase 3	1,180,000	-	-	-	-	-	-	-	-	-	-	1,180,000	Loan
		N. Main St. Sanitary Water and Sewer Improvements	1,090,000	-	-	-	-	-	-	-	-	-	-	1,090,000	Loan
		Oakland St and Fleming St Water and Sewer Improvements	2,188,000	-	-	-	-	-	-	-	-	-	-	2,188,000	Loan
		Pace Rd. Water Main Extension and Interconnect	1,350,000	-	-	-	-	-	-	-	-	-	-	1,350,000	Loan
		S. Mills Gap Rd. Water Main Extension	1,386,000	-	-	-	-	-	-	-	-	-	-	1,386,000	Loan
		S. Rugby Road Water Main Interconnect	1,888,000	-	-	-	-	-	-	-	-	-	-	1,888,000	Loan
		Soil Screen, Portable	45,000	-	-	-	-	-	-	-	-	-	-	45,000	WS Cash
		Southside Water System Improvements	3,128,000	-	-	-	-	-	-	-	-	-	-	3,128,000	Loan
		Tapping Machine (4" to 12")	64,000	-	-	-	-	-	-	-	-	-	-	64,000	WS Cash
		Trailer-mounted Sewer Jetter (29-04)	56,000	-	-	-	-	-	-	-	-	-	-	56,000	WS Cash
		Vacuum Excavator	64,000	-	-	-	-	-	-	-	-	-	-	64,000	WS Cash
		Williams St. 4th Ave E. Sanitary Sewer Replacement	542,000	-	-	-	-	-	-	-	-	-	-	542,000	Loan
		Willow Rd., Cherokee Dr., Park St. Sanitary Sewer and Water Improvements	3,198,000	-	-	-	-	-	-	-	-	-	-	3,198,000	Loan
		WTP Lawnmower	16,000	-	-	-	-	-	-	-	-	-	-	16,000	WS Cash
	2028+ Total		31,081,000	-	-	-	-	-	-	-	-	-	-	31,081,000	
Water & Sewer Total			140,880,500	18,323,500	17,400,500	600,000	7,298,000	11,094,500	22,611,000	4,070,000	2,290,000	200,000	21,500,000	35,493,000	
Grand Total			172,417,750	31,767,000	20,585,500	5,088,500	10,342,000	15,146,500	23,227,750	4,630,000	3,286,000	1,119,000	21,646,500	35,579,000	



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City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
1	Not assigned	20,554.51	25,918.84	31,278.62
2	Not assigned	21,582.24	27,214.78	32,842.55
3	Not assigned	22,661.35	28,575.52	34,484.68
4	Not assigned	23,794.41	30,004.30	36,208.91
5	Not assigned	24,984.14	31,504.52	38,019.36
6	Environmental Services Worker I	26,233.34	33,079.74	39,920.32
6	Property Maintenance Worker I	26,233.34	33,079.74	39,920.32
6	Street Maintenance Worker I	26,233.34	33,079.74	39,920.32
7	Customer Service Collection Specialist	27,545.01	34,733.73	41,916.34
7	Facilities Maintenance Technician	27,545.01	34,733.73	41,916.34
8	Administrative Assistant I	28,922.26	36,470.41	44,012.16
8	Customer Service Representative	28,922.26	36,470.41	44,012.16
8	Environmental Services Worker II	28,922.26	36,470.41	44,012.16
8	Line Maintenance Mechanic I	28,922.26	36,470.41	44,012.16
8	Meter Services Technician	28,922.26	36,470.41	44,012.16
8	Police Support Specialist	28,922.26	36,470.41	44,012.16
8	Property Maintenance Worker II	28,922.26	36,470.41	44,012.16
8	Street Maintenance Worker II	28,922.26	36,470.41	44,012.16
8	Warehouse Specialist	28,922.26	36,470.41	44,012.16
8	WTP Operator I	28,922.26	36,470.41	44,012.16
8	WWTP Operator I	28,922.26	36,470.41	44,012.16
9	Evidence Technician/Admin Assistant	30,368.37	38,293.94	46,212.77
9	Facilities Maintenance Mechanic I	30,368.37	38,293.94	46,212.77
9	Senior Police Support Specialist	30,368.37	38,293.94	46,212.77
10	Accounts Payable Specialist	31,886.79	40,208.63	48,523.40
10	Building Maintenance Technician	31,886.79	40,208.63	48,523.40
10	Environmental Services Equip Operator	31,886.79	40,208.63	48,523.40
10	Fleet Equipment Mechanic	31,886.79	40,208.63	48,523.40
10	Line Maintenance Mechanic II	31,886.79	40,208.63	48,523.40
10	Property Maintenance Equip Operator	31,886.79	40,208.63	48,523.40
10	Telecommunicator	31,886.79	40,208.63	48,523.40
10	Street Maintenance Equipment Operator	31,886.79	40,208.63	48,523.40
10	Utilities Locator	31,886.79	40,208.63	48,523.40
10	WTP Operator II	31,886.79	40,208.63	48,523.40
10	WWTP Operator II	31,886.79	40,208.63	48,523.40



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
11	Administrative Assistant II	33,481.13	42,219.06	50,949.57
11	Downtown Promotions Coordinator	33,481.13	42,219.06	50,949.57
11	Environmental Services Crew Leader	33,481.13	42,219.06	50,949.57
11	Facilities Maintenance Mechanic II	33,481.13	42,219.06	50,949.57
11	Firefighter/EMT	33,481.13	42,219.06	50,949.57
11	Fleet Equipment Services Specialist	33,481.13	42,219.06	50,949.57
11	Lead Telecommunicator	33,481.13	42,219.06	50,949.57
11	Property Maintenance Crew Leader	33,481.13	42,219.06	50,949.57
11	Street Maintenance Crew Leader	33,481.13	42,219.06	50,949.57
11	Traffic Control Technician	33,481.13	42,219.06	50,949.57
11	Utility Operations Support Specialist	33,481.13	42,219.06	50,949.57
12	CCTV Crew Leader	35,155.19	44,330.02	53,497.05
12	Fire Inspector I	35,155.19	44,330.02	53,497.05
12	Inflow Infiltration Technician	35,155.19	44,330.02	53,497.05
12	Laboratory Technician	35,155.19	44,330.02	53,497.05
12	Leak Detection Technician	35,155.19	44,330.02	53,497.05
12	Line Maintenance Crew Leader	35,155.19	44,330.02	53,497.05
12	Police Officer	35,155.19	44,330.02	53,497.05
12	Senior Firefighter/EMT	35,155.19	44,330.02	53,497.05
12	WTP Operator III	35,155.19	44,330.02	53,497.05
12	WWTP Operator III	35,155.19	44,330.02	53,497.05
12	Zoning Enforcement Officer	35,155.19	44,330.02	53,497.05
13	Administrative Assistant III	36,912.95	46,546.52	56,171.91
13	Deputy Tax Collector/Administrative Assistant III	36,912.95	46,546.52	56,171.91
13	Fire Engineer	36,912.95	46,546.52	56,171.91
13	Fire Inspector II	36,912.95	46,546.52	56,171.91
13	Human Resources Coordinator	36,912.95	46,546.52	56,171.91
13	Parking Services Supervisor	36,912.95	46,546.52	56,171.91
13	Payroll & Benefits Coordinator	36,912.95	46,546.52	56,171.91
13	Police Communications Supervisor	36,912.95	46,546.52	56,171.91
13	School Resource Officer	36,912.95	46,546.52	56,171.91
13	Senior Customer Support Specialist	36,912.95	46,546.52	56,171.91
13	Utilities Operations Support Supervisor	36,912.95	46,546.52	56,171.91
13	WWTP Laboratory Technician	36,912.95	46,546.52	56,171.91
14	Customer Service Supervisor	38,758.59	48,873.84	58,980.50
14	Engineering Technician I	38,758.59	48,873.84	58,980.50
14	Environmental Services Coordinator	38,758.59	48,873.84	58,980.50
14	Fire and Life Safety Educator	38,758.59	48,873.84	58,980.50
14	Instrumentation & Electrical Technician	38,758.59	48,873.84	58,980.50
14	Meter Services Supervisor	38,758.59	48,873.84	58,980.50
14	Paralegal & Grants Coordinator	38,758.59	48,873.84	58,980.50
14	Police Detective	38,758.59	48,873.84	58,980.50
14	Public Information Officer	38,758.59	48,873.84	58,980.50



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
15	AMI Data Analyst	40,696.52	51,317.54	61,929.53
15	Assistant Fire Marshal	40,696.52	51,317.54	61,929.53
15	Budget & Management Analyst	40,696.52	51,317.54	61,929.53
15	Building Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Chief WTP Operator	40,696.52	51,317.54	61,929.53
15	Chief WWTP Operator	40,696.52	51,317.54	61,929.53
15	Construction Inspector	40,696.52	51,317.54	61,929.53
15	Engineering Technician II	40,696.52	51,317.54	61,929.53
15	Environmental Services Supervisor	40,696.52	51,317.54	61,929.53
15	Facilities Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Fire Lieutenant	40,696.52	51,317.54	61,929.53
15	Fleet Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	GIS/IT Analyst	40,696.52	51,317.54	61,929.53
15	Planner	40,696.52	51,317.54	61,929.53
15	Police Sergeant	40,696.52	51,317.54	61,929.53
15	Property Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Sewer Collection Systems Supervisor	40,696.52	51,317.54	61,929.53
15	Street Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Traffic Control Supervisor	40,696.52	51,317.54	61,929.53
15	Water Distribution Systems Supervisor	40,696.52	51,317.54	61,929.53
15	WWTP Laboratory Supervisor	40,696.52	51,317.54	61,929.53
16	Accountant I	42,731.35	53,883.41	65,026.00
16	Engineering Technician III	42,731.35	53,883.41	65,026.00
16	Stormwater Quality Specialist	42,731.35	53,883.41	65,026.00
17	Accountant II	44,867.92	56,577.58	68,277.30
17	Senior Budget Analyst	44,867.92	56,577.58	68,277.30
17	Senior Planner	44,867.92	56,577.58	68,277.30
18	Accounting Supervisor	47,111.31	59,406.46	71,691.17
18	Civil Engineer I	47,111.31	59,406.46	71,691.17
18	Construction Manager	47,111.31	59,406.46	71,691.17
18	Deputy Fire Marshal	47,111.31	59,406.46	71,691.17
18	Fire Captain	47,111.31	59,406.46	71,691.17
18	Fire Training Officer	47,111.31	59,406.46	71,691.17
18	Wastewater Treatment Facilities Manager	47,111.31	59,406.46	71,691.17
18	Water Treatment Facilities Manager	47,111.31	59,406.46	71,691.17
19	Fire Battalion Chief	49,466.88	62,376.79	75,275.73
19	Police Lieutenant	49,466.88	62,376.79	75,275.73
20	Civil Engineer II	51,940.22	65,495.62	79,039.51
20	Fire Marshal	51,940.22	65,495.62	79,039.51
20	Stormwater Administrator	51,940.22	65,495.62	79,039.51
20	Utilities Technology Manager	51,940.22	65,495.62	79,039.51



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
21	Not Assigned	54,537.23	68,770.41	82,991.49
22	Assistant Finance Director	57,264.10	72,208.93	87,141.06
22	Assistant Public Works Director	57,264.10	72,208.93	87,141.06
22	Civil Engineer III	57,264.10	72,208.93	87,141.06
22	GIS Administrator	57,264.10	72,208.93	87,141.06
22	Operations Manager	57,264.10	72,208.93	87,141.06
22	Police Captain	57,264.10	72,208.93	87,141.06
23	Assistant Police Chief	60,127.30	75,819.37	91,498.12
23	Deputy Fire Chief	60,127.30	75,819.37	91,498.12
24	Civil Engineer IV	63,133.67	79,610.34	96,073.02
25	City Clerk	66,290.35	83,590.86	100,876.67
25	Downtown Economic Development Dir	66,290.35	83,590.86	100,876.67
25	Human Resources Director	66,290.35	83,590.86	100,876.67
26	Not assigned	69,604.87	87,770.41	105,920.51
27	Not assigned	73,085.11	92,158.92	111,216.53
28	City Engineer	76,739.37	96,766.87	116,777.36
28	Development Assistance Director	76,739.37	96,766.87	116,777.36
28	Finance Director	76,739.37	96,766.87	116,777.36
28	Fire Chief	76,739.37	96,766.87	116,777.36
28	Police Chief	76,739.37	96,766.87	116,777.36
28	Public Works Director	76,739.37	96,766.87	116,777.36
28	Utilities Director	76,739.37	96,766.87	116,777.36
29	Not assigned	80,576.33	101,605.21	122,616.23
30	Not assigned	84,605.15	106,685.47	128,747.04
31	Assistant City Manager	88,835.41	112,019.74	135,184.39
32	Not assigned	93,277.18	117,620.73	141,943.61
33	Not assigned	97,941.04	123,501.77	149,040.79
34	Not assigned	102,838.09	129,676.86	156,492.83
35	Not assigned	107,979.99	136,160.70	164,317.47
36	Not assigned	113,378.99	142,968.74	172,533.34



Pay Scale – Summary

GRADE	MIN	MID	MAX
1	20,554.51	25,918.84	31,278.62
2	21,582.24	27,214.78	32,842.55
3	22,661.35	28,575.52	34,484.68
4	23,794.41	30,004.30	36,208.91
5	24,984.14	31,504.52	38,019.36
6	26,233.34	33,079.74	39,920.32
7	27,545.01	34,733.73	41,916.34
8	28,922.26	36,470.41	44,012.16
9	30,368.37	38,293.94	46,212.77
10	31,886.79	40,208.63	48,523.40
11	33,481.13	42,219.06	50,949.57
12	35,155.19	44,330.02	53,497.05
13	36,912.95	46,546.52	56,171.91
14	38,758.59	48,873.84	58,980.50
15	40,696.52	51,317.54	61,929.53
16	42,731.35	53,883.41	65,026.00
17	44,867.92	56,577.58	68,277.30
18	47,111.31	59,406.46	71,691.17
19	49,466.88	62,376.79	75,275.73
20	51,940.22	65,495.62	79,039.51
21	54,537.23	68,770.41	82,991.49
22	57,264.10	72,208.93	87,141.06
23	60,127.30	75,819.37	91,498.12
24	63,133.67	79,610.34	96,073.02
25	66,290.35	83,590.86	100,876.67
26	69,604.87	87,770.41	105,920.51
27	73,085.11	92,158.92	111,216.53
28	76,739.37	96,766.87	116,777.36
29	80,576.33	101,605.21	122,616.23
30	84,605.15	106,685.47	128,747.04
31	88,835.41	112,019.74	135,184.39
32	93,277.18	117,620.73	141,943.61
33	97,941.04	123,501.77	149,040.79
34	102,838.09	129,676.86	156,492.83
35	107,979.99	136,160.70	164,317.47
36	113,378.99	142,968.74	172,533.34



END ATTACHMENT A

BEGIN ATTACHMENT B

CITY OF HENDERSONVILLE

RECOMMENDED BUDGET

FISCAL YEAR 2018-19



SUBMITTED AND FILED IN THE CLERK'S OFFICE
MAY 23rd, 2018

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The purpose of the *Budget Guide* is to introduce readers to the budget document and processes, assisting in the reader’s understanding of the information contained throughout. The Local Government Budget and Fiscal Control Act (LGBFCA) defines the annual budget as “a proposed plan for raising and spending money for specified programs, functions, activities, or objectives during a fiscal year” [G.S. 159-7(b)(1)]. The *Budget Guide* will briefly describe the sections contained within the budget document, explain the budget process, explain how to read charts and graphs and interpret numbers, as well as how to understand the effects of inflation. Note that sample charts and tables do not reflect accurate financial information for the City of Hendersonville.



The Budget Document

This annual budget provides local officials an opportunity to review and evaluate programs and services. During most of the year, local officials are hard pressed to maintain day-to-day duties and may not have time to evaluate how efficiently and effectively a particular program is achieving its established goals. Even if no changes are made, the City of Hendersonville benefits from the overview of programs and enhances perspective for decisions that must be made every day. The budget document for FY18-19 consists of eight major sections: Introduction, Community and Organizational Profile, Financial Summaries, General Fund, Enterprise Funds, Other Funds, Capital Improvements Plan, and Supplemental Information.

Budget Message & Ordinance

The Budget Message is a letter from the City Manager to the City Council that provides an overview of the upcoming fiscal year budget and how it fits with the City Council's priorities. This message should introduce and summarize the budget document, including issues facing the development of the budget, significant budgetary items and trends, and the budgetary effect on short and long-term plans. General Statute 159-11(b) states that the message should include the following:

- a concise explanation of the governmental goals fixed by the budget for the budget year,
- important features of the activities anticipated by the budget,
- reasons for stated changes from the previous year in program goals, programs, and appropriation levels
- any major changes in fiscal policy

The Budget Ordinance is a statute, legally adopted by the City Council to set spending limits for the coming fiscal year, which runs from July 1 to June 30. The Budget Ordinance also establishes the Capital Improvement Plan, Pay and Classification Schedule, and Fee Schedule set for the coming fiscal year.

Community and Organization Profile

This section of the budget document highlights general information about the Hendersonville community including historical, geographical, demographic, and economic features. Within the organizational profile, the reader will find information about the City's governmental structure and the financial policies and management systems that guide the budget process.

Financial Summaries

The Financial Summaries section provides a summary of revenues, expenditures, fund balance, and debt obligation for the City of Hendersonville's funds. Information provided in both numerical and narrative format increases the reader's ability to determine how much money each fund is spending and generating.



A fund is an independent fiscal and accounting entity. Funds make it easier to keep track of accounts that operate similar types of activity and share the same set of accounting records. The City of Hendersonville operates two major funds, the General Fund and the Water and Sewer Fund and a variety of other non-major governmental funds.

General Fund

The General Fund accounts for all governmental services that do not generate sufficient revenue to support their activities, such as general government, public safety, and public works. The reader will find information on each department, including a description of the department's purpose, prior fiscal year accomplishments, coming fiscal year initiatives, budget highlights, budget trends, personnel counts, and performance measures.

Enterprise Funds

The Water and Sewer Fund is an enterprise fund, which means it operates as a public enterprise. Public enterprises generate funding through user charges and most are self-supporting. User charges refer to charges applied to those who voluntarily use or receive certain government services or facilities. City customers pay fees for water consumption and sewer usage to cover the cost of water distribution and wastewater treatment. The City is permitted by law to charge higher rates for customers outside their boundaries; such higher rates are common. The rates established by the Water and Sewer Fund are not subject to regulation by the State Utilities Commission. Additionally, the City operates an Environmental Services Fund. This is an enterprise fund that provides sanitation and stormwater services. The Fund is self-supporting, utilizing a base charge and other user fees.

Other Funds

The City of Hendersonville has a variety of other funds including the Main Street Tax District Fund, the Historic Seventh Avenue Tax District Fund, Health and Welfare Fund, Capital Reserve Fund, and a variety of other special revenue funds. Each fund accounts for revenues and expenditures associated with a special function or area.

Each fund consists of individual line items that represent specific expenditures and revenues. Examples of line item expenditures include, but are not limited to, salaries, insurance, maintenance and repair, supplies, and capital outlay. Examples of line item revenues include, but are not limited to, property tax revenues, sales tax revenues, grants, and fees. Line items are the most detailed way to list budgeted expenditure and revenue information.

Capital Improvement Plan (CIP)

A Capital Improvement Plan (CIP) is the center of planning for capital projects and acquisitions and is the basis for implementing and authorizing projects. This document is a central element in the financial planning of a city or county. The CIP is a multiyear forecast detailing major capital infrastructure, building and equipment needs, the appropriations needed to satisfy those needs, the sources of financing for specified projects, and the impact the projects will have on the



organization. The CIP is a repeatable annual process, commonly reevaluating and including new capital requests, for not all capital needs can be recognized five to six years out.

Supplemental Information

This section contains other financial information about the City of Hendersonville, a glossary of terms used throughout the document, and other pertinent City information, such as personnel listings and summary information.



The Budget Process

In accordance with the Local Government Budget and Fiscal Control Act (LGBFCA), the budget document for fiscal year ending June 30, 2019, meets the balanced budget and inclusiveness requirements. The inclusiveness requirements means the City may only spend moneys that have been budgeted [G.S. 159-8(a)]. The balanced budget requirement means that any budget ordinance, project ordinance, financial plan, or internal service fund must balance. General Statute 159-8(a) defines a balanced budget as “the sum of estimated net revenues and appropriated fund balances is equal to the appropriations.” A final legal limit on this budget document is G.S. 159-15, addressing a local government’s ability to set a property tax levy and the regulations regarding that levy. Whether this budget is used primarily as a planning vehicle or as a means of reaching political agreement about budgetary policies, this document adheres to the three legal limits listed above and follows a process provided by the LGBFCA.

There are three general stages of budget preparation and enactment including departmental formulation of expenditure requests and revenue estimates, preparation of a recommended budget document by the budget officer, and review and enactment of the annual budget ordinance by the respective governing body.

At the start of the budgeting process, it is common for the budget officer to produce a budget calendar, detailing the dates by which each stage in the annual budget process is to be completed. The LGBFCA requires mandatory dates at which certain processes must be completed [G.S. 159-10-13]. Departmental requests must be submitted to the budget officer before April 30. A recommended budget must be given to the governing body no later than June 1, and the governing body must enact the budget ordinance at the start of the fiscal year, July 1.



The following is a copy of the City of Hendersonville’s proposed Budget Calendar for FY 2019:

City of Hendersonville Budget Calendar FY18-19		
Budget Procedure	Legally Required Date	Projected Date
<input type="checkbox"/> Distribute CIP Requests		10/13/17
<input type="checkbox"/> Department Head Retreat		11/03/17
<input type="checkbox"/> CIP Requests Due		12/01/17
<input type="checkbox"/> CIP Meetings with Department Heads		December-January
<input type="checkbox"/> Distribute Budget Request Forms		01/05/18
<input type="checkbox"/> Budget Request Forms Due	Before 04/30/18	02/09/18
<input type="checkbox"/> Establish Prelim. Rev./Exp. Estimates		02/12/18 – 02/16/18
<input type="checkbox"/> Council Retreat/Budget Preview		02/08/18 – 02/09/18
<input type="checkbox"/> Special Appropriations Due		02/23/18
<input type="checkbox"/> Prelim. Budget Review Meeting (Admin. & Finance)		03/01/18 – 03/02/18
<input type="checkbox"/> Meetings with Department Heads		03/05/18 – 03/23/18
<input type="checkbox"/> Revised Rev./Exp. Estimates		03/30/18
<input type="checkbox"/> Budget Review & Adjustments		April
<input type="checkbox"/> Budget Memos		April
<input type="checkbox"/> Budget Workshop		05/04/18
<input type="checkbox"/> Public Notice of Budget Hearing	By 06/01/18	05/23/18
<input type="checkbox"/> Turn in Budget to City Council/City Clerk	By 06/01/18	05/23/18
<input type="checkbox"/> Public Budget Hearing/Adopt Budget Ordinance	By 07/01/18	06/07/18



Upon submission of the annual budget document, the governing body must schedule a public hearing, detailing that a budget has been submitted and that copies are available for public inspection [G.S. 159-12(b)]. The notice will provide the time, date, and place of the budget hearing. The City of Hendersonville strives to provide ample time between notice and the hearing date in order to provide the public an opportunity to attend the hearing. These strong public participation practices will improve the City's responsiveness and accountability. Stakeholder input throughout the planning and budgeting process is highly recommended by the National Advisory Council on State and Local Budgeting Recommended Budget Practices.

Several legal provisions apply to the governing body review and adoption of the Budget Ordinance. First, ten days must elapse between submission of the budget and adoption of the Budget Ordinance [G.S. 159-13(a)]. Also, the governing body may conduct its review in both special and regular meetings. Open meetings laws (see G.S. 143-318.12) apply to the aforementioned situations, each board member must be notified of said meetings, and only budget matter may be discussed during said meetings (G.S. 159-17). There is no provision allowing for closed sessions for the local budget process.

Another process in budget preparation and enactment is amending the budget. A policy statement detailing the procedures required in amending the budget is found in the *Community & Organization Profile* section of this document. A budget may need to be amended because revenue forecasts are developed months in advance of the fiscal year, these revenue collections may deviate, and expenditures and emergencies may arise requiring extra funding. A policy should specify the exact circumstances under which the legislative body may amend the budget. Most budget amendments follow the same deliberative process: the Manager first proposes a package of amendments and the full Council then considers and acts upon the proposal.

Finally, the budget is enacted upon official adoption of the Budget Ordinance, not later than July 1st. If the budget is not adopted, then G.S. 159-16 requires that an interim budget be adopted. The purpose of an interim budget is to ensure normal operations continue without any changes in program funding. Upon adoption of the Budget Ordinance, G.S. 159-13(d) requires the budget be entered into governing body's minutes within five days of adoption.



Reading the Budget Document

The budget document contains an abundance of diverse and valuable information. The hefty amount of numbers and information can make navigating and deciphering the document a difficult task for any reader. This section is meant to assist the reader in understanding the data presented and other supplemental information.

Sections of the budget are identified in the top right corner of each page. These headings identify the subject, fund, department, or division being discussed and assist the reader in locating the information for which they are looking. Within each section, bold and underlined headings identify major topics related to that section. Under these headings, the reader may find written information as well as information presented in table or chart form. The document highlights other important terms and categories by identifying them in bold or italic. This document also provides a glossary of terms located in the *Supplemental Information* section located at the end of this document.

Interpreting Tables & Charts

The budget document uses tables and charts to provide visual representations of data. The tables and charts allow readers to easily compare funds and departments as well as observe historical trends. Most sections contain tables and charts similar to the examples depicted in this section. The diagrams identify the major characteristics of each table and chart and explain what information the reader can find.



The following are examples of summary tables which a reader may encounter in reading this budget document (all data is fictional):

Prior year actual
budget data from
audit reports

Current year
budget, including
amendments

Adopted budget
for the upcoming
year

Description	2014 ACTUAL	2015 REVISED BUD	2016 ADOPTED	DOLLAR CHANGE
Governing Body				
Personnel	\$ 49,757.50	\$ 28,123.76	\$ 27,012.00	\$(1,111.76)
Operating	\$ 35,092.51	\$ 48,529.00	\$ 67,018.00	\$18,489.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
<i>Sub-Total</i>	\$ 84,850.01	\$ 76,652.76	\$ 94,030.00	\$17,377.24

Includes salaries, FICA costs,
insurance, 401k, & retirement
costs

Includes all items not associated
with personnel, benefits, or
capital such as utilities, dues,
phone, supplies, etc...

Description	2014 ACTUAL	2015 REVISED BUD	2016 ADOPTED	DOLLAR CHANGE
Governing Body				
Personnel	\$ 49,757.50	\$ 28,123.76	\$ 27,012.00	\$(1,111.76)
Operating	\$ 35,092.51	\$ 48,529.00	\$ 67,018.00	\$18,489.00
Capital	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -
<i>Sub-Total</i>	\$ 84,850.01	\$ 76,652.76	\$ 94,030.00	\$17,377.24

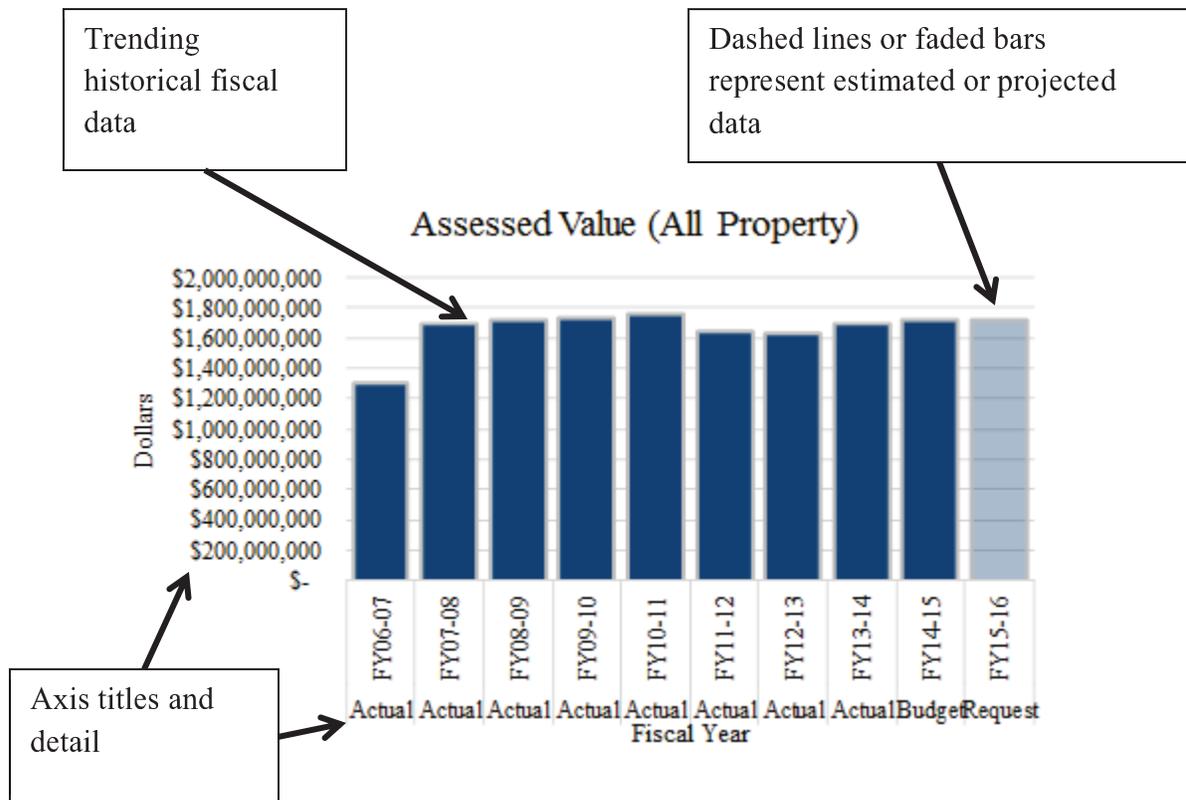
Includes capital
items such as
land, vehicles,
equipment, etc...

Includes annual
debt service
payments

Change between
current year and
adopted budgets



The following is an example of a historical chart which a reader may encounter in reading this budget document (all data is fictional):



Performance Budgeting

Performance measurement is the creation of criteria for reporting the quality or quantity of performance by a specific individual or organization. In response to heightened public scrutiny and pressure for increased service quality, the public sector has seen an equal increase in performance measurement initiatives. A good set of performance measures will reveal how efficiently a given service was rendered, at what level of quality it was delivered, and what effect it is having on the recipients of the service and the community as a whole. The following is a list of some of the advantages of engaging in performance measurement:

- ✓ Accountability/communication
- ✓ Support of planning/budgeting efforts
- ✓ Catalyst for improved operations
- ✓ Program evaluation
- ✓ Reallocation of resources
- ✓ Directing operations
- ✓ Contract monitoring
- ✓ Benchmarking



The City of Hendersonville is fully aware that without considerable thought and planning a performance measurement initiative can produce externalities, or unwanted/anticipated results. For example, say the City adopts a *tons of asphalt used per employee* performance measure. If not monitored and communicated effectively, then the City may experience employees digging cutouts wider and deeper than necessary (i.e., using more asphalt) to “improve” their performance ratings. The overall implication of any performance measurement is that managers and supervisors can select the appropriate measure by narrowly defining the function they want to know more about and effectively communicating the purpose to which they want to put that information. A reader will find a *Performance Budgeting* section in the City’s budget which will further detail the growing initiative.

Current Dollars, Constant Dollars, and Inflation Comparisons

Comparing the amount of revenues received or expenditures spent by a local government one year to the amount received or spent in another year can be misleading. Although the more recent number may be large, it might represent resources with less buying or spending power than the smaller figure from an earlier year. This is the result of market inflation. So, steadily increasing expenditures may be more attributable to inflation rather than loss of efficiency or service expansion. Meaningful comparisons can be made possible by controlling for inflation and converting current dollars to constant dollars. Comparisons can also be seen by converting revenue and expenditure numbers to an index.

The saying “a dollar doesn’t go as far as it used to,” is exactly right. Now consider this in the case of current dollars and constant dollars. First, current dollars are those dollars that are represented in financial statements. They are real and represent the actual spending that year. Constant dollars are a conversion of the current dollars, controlling for the effects of inflation. So, a current dollar is \$1.00; however, a constant dollar may be worth \$0.85. This conversion is done using a price index. There are two good indexes that provide representative effects of inflation. They are the Consumer Price Index (CPI) and the Implicit Price Deflator (IPD); this document utilizes the CPI. It is important to remember that these gauges are not perfect but do provide more meaningful values for comparisons.

The formula to calculate constant dollars is as follows:

To start, one must take their index (in this case the CPI) and convert it to 100.0 for the base year. The 100.0 base essentially represents a starting point for comparison. Imagine that this base value represents 0% change in inflation.



This is calculated by taking the CPI index current year and dividing it by the base year, then multiplying that by 100:

$$[(\text{CPI Current Year} = 123.3) / (\text{CPI Base Year} = 123.3)] * 100 = \text{CPI Index } 100.0$$

Or

$$(123.3 / 123.3) * 100 = 100.0$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

Next, one must find the deescalating rate or percent of dollar value. This calculated value is the effective spending power of a dollar shown as a percent. So, if in year three the value is “93%,” then a dollar (\$1.00) is worth 93% (\$0.93) of what it was in year one. This is calculated by taking the CPI Index base year, subtracting it from the CPI Index current year, adding the CPI Index base year, and dividing it all by 100:

$$[(\text{CPI Index base year} = 100.0) - (\text{CPI Index current year} = 112.6) + (\text{CPI Index base year} = 100.0)] / 100 = \text{Deescalating Percent } 93\%$$

Or

$$(100.0 - 112.6 + 100.0) / 100 = 93\%$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8



Next, one must convert the current revenues to effective revenues. This shows the actual spending level for an organization, controlling for inflation. This is done by multiplying the current revenues by the deescalating percent:

(Revenues = **\$11,904,221**) * (Deescalating Percent = **87%**) = Effective Revenues **\$10,407,746**

Or

\$11,904,221 * 87% = \$10,407,746

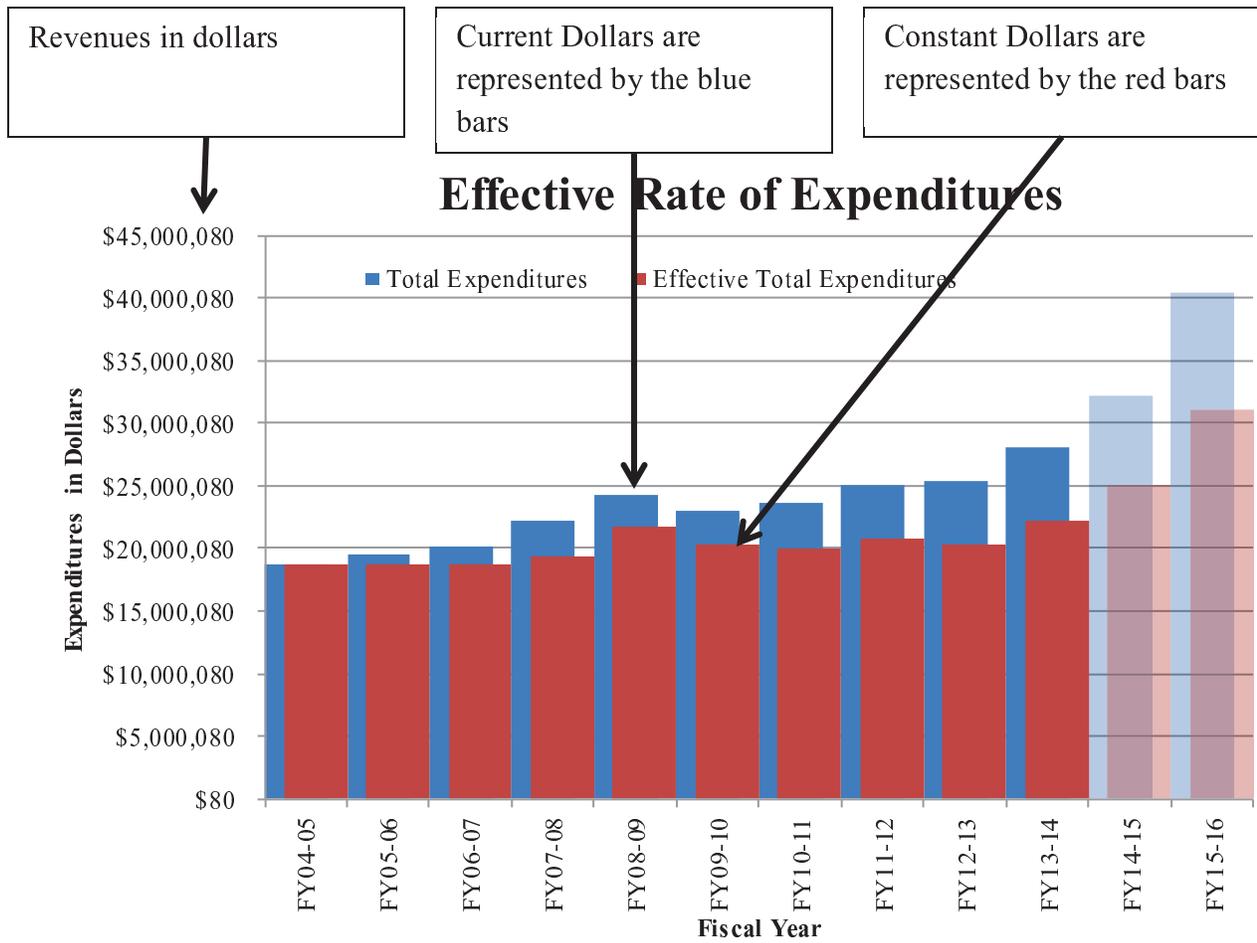
INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

With this calculation you can view the effective revenues compared to the actual revenues which is presented in an example on the next page.



Below is an example of charts found throughout this document:



In addition to the revenue comparison, one can look at the percent differences which is presented with an index.



The steps to calculating the index are as follows:

This step requires the individual to convert the actual revenues into an index. By doing so, one can then compare the CPI Index with the General Fund Index and see if the organization has kept pace with the rate of inflation in the market. This is calculated by dividing actual revenues current year by actual revenues base year, then multiplying that by 100:

$$[(\text{Actual Revenues Current Year} = \mathbf{\$11,904,221}) / (\text{Actual Revenues Base Year} = \mathbf{\$10,643,142})] * 100 = \text{General Fund Revenues Index } \mathbf{111.8}$$

Or

$$(\mathbf{\$11,906,221} / \mathbf{\$10,643,142}) * 100 = \mathbf{111.8}$$

INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

By using the same steps for calculating the deescalating percent for the CPI, one can calculate the deescalating percent for the General Fund. With these two deescalating percent's and indexes a reader has two options to view the effects of inflation.

Let's look at what can be observed:

Difference between GF and CPI shown as a percent

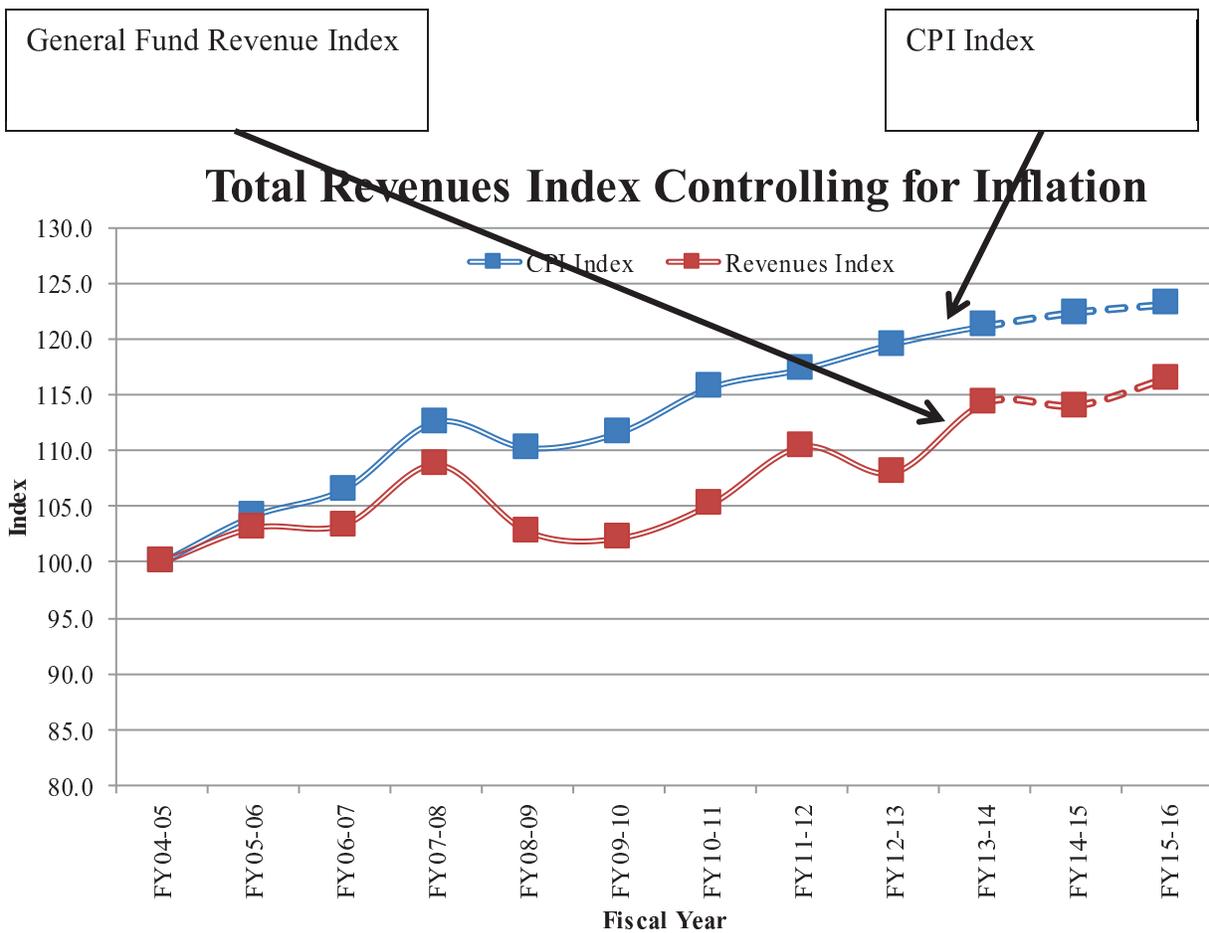
INFLATION COMPARISON EXAMPLE

	Actual FY04-05	Actual FY05-06	Actual FY06-07	Actual FY07-08
General Fund Revenues	\$ 10,643,142	\$ 10,892,299	\$ 11,239,049	\$ 11,904,221
Effective Rate of Revenues	\$ 10,643,142	\$ 10,441,766	\$ 10,500,717	\$ 10,407,746
Deescalating Percent GF	100%	98%	94%	88%
Deescalating Percent CPI	100%	96%	93%	87%
CPI	123.3	128.4	131.4	138.8
CPI Index	100.0	104.1	106.6	112.6
GF Index	100.0	102.3	105.6	111.8

Difference between GF and CPI shown as an index



The following is an example of charts found throughout this document:



This chart represents a wealth of information. To start, one can identify the rate of inflation detailed by the “CPI Index” or the blue line. Also, one can identify the rate of general fund revenues detailed by the “GF Index” or the red line. This chart shows that the organization maintained revenue generation equal to or close to that of the CPI for the first three to four years. However, in year five one can see that the organization’s revenue generation dropped dramatically. This can be due to a variety of variables, however what it tells the reader is that the organization’s revenues are no longer keeping pace with inflation. The organization essentially has less buying power.

This type of information can be very useful when realizing actual dollar values. The value of a dollar has increased quite a bit in the past ten years, and it is important for municipalities to convey these effects in their budget documents. This information is also useful in justifying employee wage changes, adjustments in multi-year service contracts, and understanding actual costs of vehicles and equipment.



CITY COUNCIL:
BARBARA G. VOLK
Mayor
RON STEPHENS
Mayor Pro Tem
STEVE CARAKER
JERRY A. SMITH, JR.
JEFF MILLER

CITY OF HENDERSONVILLE

The City of Four Seasons

OFFICE OF THE CITY MANAGER
JOHN F. CONNET

OFFICERS:
JOHN F. CONNET
City Manager
SAMUEL H. FRITSCHNER
City Attorney
TAMMIE K. DRAKE
City Clerk

May 23rd, 2018

The Honorable Barbara G. Volk, Mayor
Members of the City Council
Hendersonville, North Carolina

Dear Mayor Volk and Members of the City Council,

Pursuant to section 159-11 of the North Carolina General Statutes, I am pleased to present the recommended budget for Fiscal Year (FY) 2018-2019 for your review and consideration.

The FY18-19 Budget is based upon information presented and discussed during our City Council/Staff Retreat on February 8th – 9th, 2018. In addition, the City Council attended a formal Budget Workshop on May 4th, 2018. These meetings provided an avenue for priority setting, fact finding, and general inquiries regarding the City's Budget for FY18-19.

The City maintains six focus areas, provided as follows:

Economic Vitality: Hendersonville is a good place for all business and promotes policies that encourage growth in all areas of our City.

Strong Partnerships: Hendersonville will develop strong partnerships with residents, businesses, other local governments, non-profits and visitors to ensure there is effective two-way communication and effective interaction with City Departments.

Sound Infrastructure: Hendersonville will construct and maintain efficient and accessible roadway, sidewalk, and greenway systems to extend internal and regional connectivity.

Hendersonville will provide high quality water and wastewater services while protecting natural resources and ensuring capacity for sustainable growth.

Numerous Amenities: Hendersonville will advance the beauty, diversity, and well-being of Hendersonville by supporting the community's ability to provide an array of educational, recreational, and cultural activities, events, and programs for residents and visitors of all ages, abilities, and interests.

Great Public Services: Hendersonville will provide high quality public services by utilizing excellent customer service to enhance the safety, health, and quality life for our citizens and visitors.



Financial Sustainability: Support fiscal policies and controls that ensure the long-term financial health of the City and enable it to respond to unforeseen challenges and opportunities.

Promote responsible management of public resources to ensure efficient and effective delivery of quality services.

At the 2017 Council Retreat we reviewed many of the City’s prior year accomplishments. Below is the graphic of the wall charts of successes reviewed at the Retreat:



We look to continue to enhance our programs and services in this budget for fiscal year 2018-19. We plan to review our accomplishments and conduct this exercise again in FY20-21.

Additionally, the City Council expanded on their priorities as they related to these focus areas for the next 5 years. These priority areas were broken into three categories, facilities, parks, and



infrastructure. As we pursue these priorities we will continue to be cognizant of the operating impacts they have on personnel and service delivery/quality throughout the City. The priorities are listed below:

Facilities

1-2 Year Priorities

- Police station
- Public restroom
- Other buildings (building/parks maintenance, water/sewer equipment shed, etc...)
- Begin to explore fire station 3
- Explore renovation options for fire station 1

3-5 Year Priorities

- Customer service renovations
- Parking (deck and surface lots) secure locations

Parks

1-2 Year Priorities

- Whitmire building (parking lot, bridge replacement, flooring)
- Berkeley Mills Park Master Plan (parking, playground, restrooms) – Explore raising private funds
- Expanding parking lot at greenway

3-5 Year Priorities

- Greenways; Other parks

Infrastructure

1-2 Year Priorities

- Streetscape – 7th Avenue (do in phases)
- Streetscape – Main Street Avenues (phase it in)
- Urban Redevelopment Area (URA)
- Streetscape – Main to Grove (if a hotel developer redevelops the Mill property)
- Highway 64 Maintenance (explore costs and feasibility)
- Other Streetscapes
- Water and Sewer Major Projects
- Wastewater Master Plan

3-5 Year Priorities

- Streetscape – 7th to 4th

These priorities guided decision making in this budget process and were reviewed again at our Council/Staff Retreat in February. This information will be discussed further in the *Community and Organization Profile* section of this document.

The following budget message contains an overview of all budgeted funds for FY18-19.



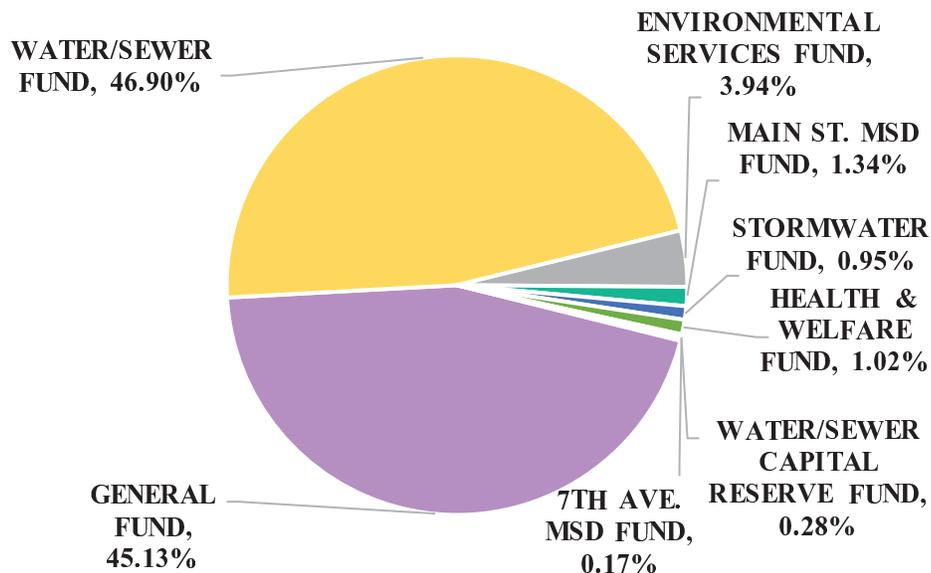
Introduction

The following document contains the City Manager’s final recommendation for the City’s Budget for FY18-19. This budget includes seventeen (17) governmental and proprietary funds. The table below presents the budget for each City major fund and the total budget in balance:

TOTAL BUDGET OVERVIEW FY18-19

FUND	EXPENDITURES	REVENUES	FUND BALANCE APPROP.
GENERAL FUND	\$ 16,011,666	\$ (15,559,666)	\$ (452,000)
WATER/SEWER FUND	16,639,133	(16,167,196)	(471,937)
ENVIRONMENTAL SERVICES FUND	1,398,377	(1,200,200)	(198,177)
MAIN ST. MSD FUND	475,057	(475,057)	-
STORMWATER FUND	337,274	(327,500)	(9,774)
HEALTH & WELFARE FUND	362,885	(362,885)	-
WATER/SEWER CAPITAL RESERVE FUND	100,000	(100,000)	-
7TH AVE. MSD FUND	59,083	(59,083)	-
POLICE - STATE DRUG FORFEITURES FUND	50,000	-	(50,000)
HISTORIC PRESERVATION COMMISSION FUND	15,000	-	(15,000)
POLICE - KENNEL CLUB FUND	7,500	-	(7,500)
POLICE - NEEDY PERSONS FUND	7,500	-	(7,500)
POLICE - FEDERAL DRUG FORFEITURES FUND	5,000	-	(5,000)
WALK OF FAME FUND	4,000	-	(4,000)
FIRE - COMMUNITY FUND	2,000	-	(2,000)
POLICE - MOTOR UNIT FUND	1,000	-	(1,000)
POLICE - RAD FUND	1,000	-	(1,000)
SUB-TOTAL	\$ 35,476,475	\$ (34,251,587)	\$ (1,224,888)
TOTALS IN BALANCE	\$ 35,476,475	\$ (35,476,475)	

The chart below presents each major fund (over \$50,000) as a percent of total expenditures:



General Fund

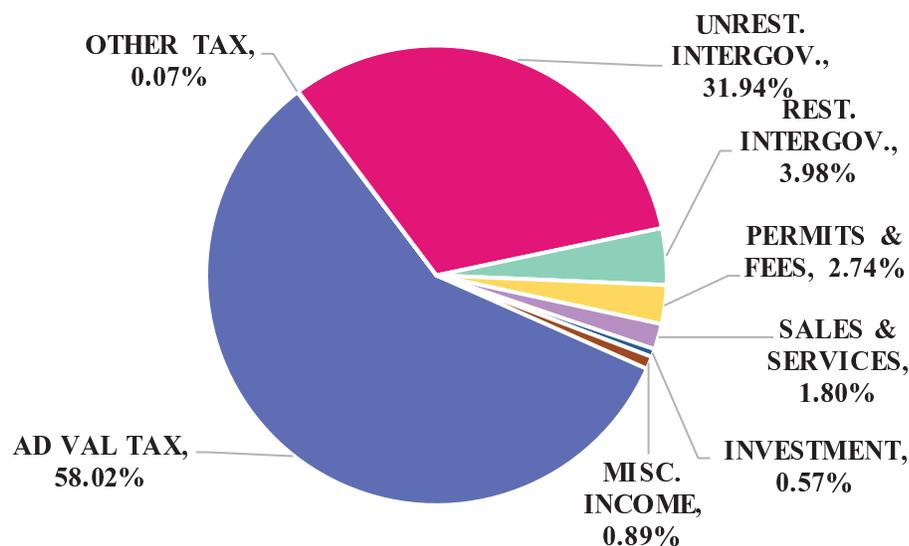
The General Fund is the primary fund in terms of the operating budget. It is “general” because any transaction that cannot be accounted for in another fund must be recorded in the General Fund. The General Fund Budget totals **\$16,011,666** for FY18-19.

General Fund – Revenues

The following section will detail the City’s operating revenues for the General Fund. The total budget for General Fund revenues, excluding “Other Financing Sources”, is **\$14,914,666**. The table below details the City’s General Fund operating revenues by source for FY18-19:

GENERAL FUND REVENUES						*Based on Budget*	
REVENUE SOURCE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE	
AD VAL TAX	\$ (8,147,201)	\$ (8,285,703)	\$ (8,239,971)	\$ (8,380,051)	\$ (92,770)	1.14%	
OTHER TAX	(11,800)	(12,001)	(11,000)	(11,187)	800	-6.78%	
UNREST. INTERGOV.	(4,559,925)	(4,637,444)	(4,712,425)	(4,792,536)	(152,500)	3.34%	
REST. INTERGOV.	(590,597)	(600,637)	(1,066,520)	(1,084,651)	(475,923)	80.58%	
PERMITS & FEES	(251,900)	(256,182)	(403,900)	(410,766)	(152,000)	60.34%	
SALES & SERVICES	(408,300)	(415,241)	(266,250)	(270,776)	142,050	-34.79%	
INVESTMENT	(83,600)	(85,021)	(83,600)	(85,021)	-	0.00%	
MISC. INCOME	(153,582)	(156,193)	(131,000)	(133,227)	22,582	-14.70%	
SUB-TOTAL	\$ (14,206,905)	\$ (14,448,422)	\$ (14,914,666)	\$ (15,168,215)	\$ (707,761)	4.98%	
OTHER FINANCING SOURCES	\$ (1,138,630)	\$ (426,389)	\$ (1,097,000)	\$ (347,089)	\$ 41,630	-3.66%	
NET TOTAL	\$ (15,345,535)	\$ (14,874,811)	\$ (16,011,666)	\$ (15,515,304)	\$ (666,131)	4.34%	

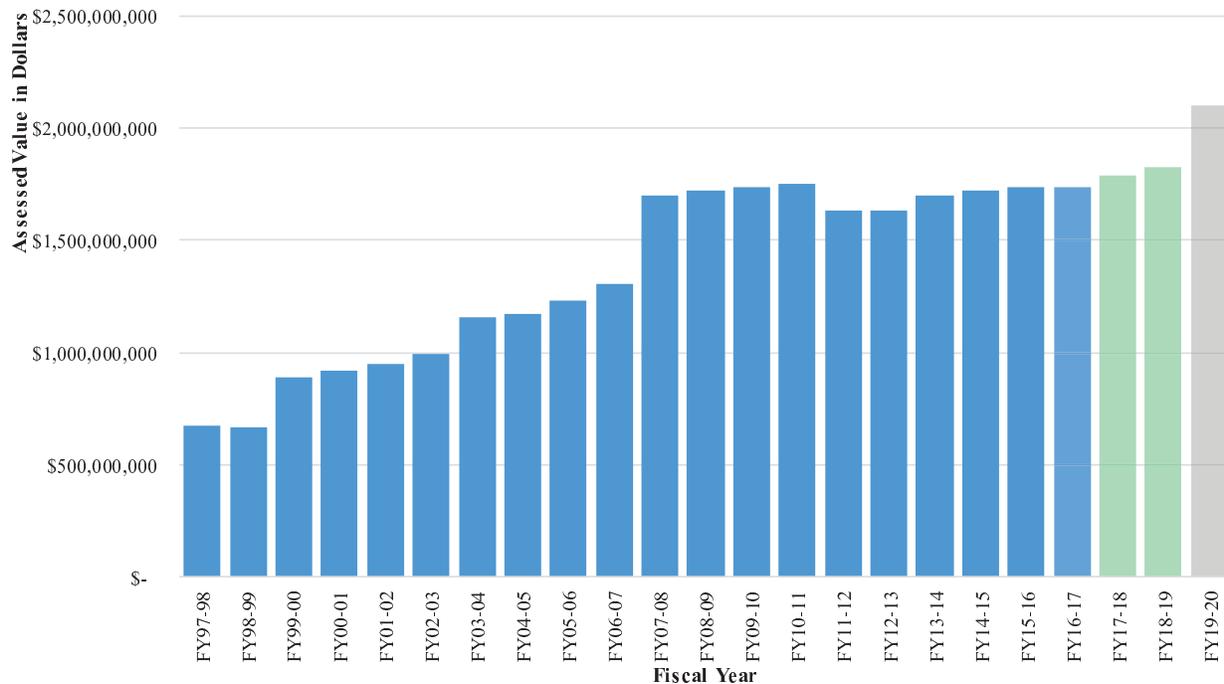
The chart below presents each source as a percent of total budgeted revenues for FY18-19:



Ad Valorem Tax: Ad valorem taxes encompass the largest portion of the General Fund revenues. These are the most controllable revenues in the City budget. This is not a revaluation year for the City and staff is estimating a **1.14%** increase in ad valorem taxes. The recommended tax rate



is **\$0.47 per \$100** valuation, no increase over last fiscal year. This \$0.47 level is estimated to generate **\$7,624,941** in ad valorem tax revenue and **\$615,000** in ad valorem motor vehicle tax revenue for FY18-19. The chart below presents the total assessed value for all property in the City of Hendersonville, less tax exempt property:



The green shaded columns represent estimates while the grey shaded column represents the estimate for the reappraisal year. The next revaluation of real property is scheduled to occur in FY19-20. This revaluation is a critical piece of the City’s strategic planning and budgeting processes. The City Council includes estimated new future revenues from revaluations in planning for future expenditures. Historically, the last 5 revaluations have had the following effects:

Reval Year	Assessed Value	Percent Change	Tax Rate
FY99-00	\$ 888,057,333	33.35%	\$ 0.45
FY03-04	\$1,157,251,500	16.25%	\$ 0.43
FY07-08	\$1,699,593,100	29.92%	\$ 0.38
FY11-12	\$1,636,627,500	-6.78%	\$ 0.41
FY15-16	\$1,737,261,913	0.76%	\$ 0.46

Unrestricted Intergov. – Sales Taxes: Two and one-half percent of sales tax paid on retail sales in North Carolina represents the local sales tax portion levied by the City and County. These taxes consist of a one percent tax that was first levied in 1971, a one-half cent levied in 1983, a one-half cent levied in 1986 and a one-half cent levied in 2001. The State of North Carolina collects the sales tax



and distributes it to the local units. Sales tax revenues are distributed on a proportional ad valorem tax levy basis in Henderson County. The City of Hendersonville has the second largest tax levy in Henderson County and receives the second largest proportional share of sales tax revenues behind Henderson County.

Local sales tax collections, which closed Fiscal Year 2016-17 strong, have regressed slightly in FY17-18. This is primarily due to the large tax increases made by Mills River, a municipality in Henderson County, and the County itself. These increase, increased their respective levies and lowered the City’s share of the total sales tax revenue. At the county level, sales taxes are pushing 7% to 8% growth, year over year. However, the City is averaging a 1% decrease year over year. It is estimated that after the change in levy has taken its effect, we will see more average growth (6% - 8%) in the coming year, FY18-19.

The table below displays actual sales tax data in black and estimated collections in blue for FY17-18:

Sales Tax Comparison							
Reflects Sales	Collection	FY15-16	FY16-17	FY17-18	\$ Change (FY17 - FY18)	% Change (FY17 - FY18)	
July	Oct.	\$ 275,879	\$ 268,663	\$ 277,731	\$ 9,068	3.38%	
Aug.	Nov.	\$ 267,878	\$ 271,415	\$ 272,430	\$ 1,015	0.37%	
Sep.	Dec.	\$ 271,367	\$ 276,052	\$ 263,187	\$ (12,865)	-4.66%	
	Q1	\$ 815,124	\$ 816,130	\$ 813,347	\$ (2,783)	-0.34%	
Oct.	Jan.	\$ 232,447	\$ 263,071	\$ 257,103	\$ (5,967)	-2.27%	
Nov.	Feb.	\$ 264,741	\$ 288,644	\$ 280,052	\$ (8,592)	-2.98%	
Dec.	March	\$ 283,077	\$ 320,552	\$ 308,362	\$ (12,190)	-3.80%	
	Q2	\$ 780,265	\$ 872,267	\$ 845,517	\$ (26,749)	-3.07%	
Jan.	April	\$ 226,818	\$ 239,138	\$ 244,718	\$ 5,580	2.33%	
Feb.	May	\$ 230,090	\$ 257,121	\$ 219,826	\$ (37,294)	-14.50%	
March	June	\$ 295,454	\$ 309,849	\$ 306,751	\$ (3,098)	-1.00%	
	Q3	\$ 752,362	\$ 806,108	\$ 771,295	\$ (34,813)	-4.32%	
April	July	\$ 281,646	\$ 289,159	\$ 286,267	\$ (2,892)	-1.00%	
May	August	\$ 280,988	\$ 237,601	\$ 239,977	\$ 2,376	1.00%	
June	Sep.	\$ 295,504	\$ 288,106	\$ 290,987	\$ 2,881	1.00%	
	Q4	\$ 858,138	\$ 814,866	\$ 817,231	\$ 2,365	0.29%	
	Total	\$ 3,205,889	\$ 3,309,370	\$ 3,247,391	\$ (61,980)	-1.87%	
	Minus Transfers to MSD Funds	\$ 106,652	\$ 198,562	\$ 194,843	\$ (3,719)	-1.87%	
	Sub-Total GF	\$ 3,099,237	\$ 3,110,808	\$ 3,052,547	\$ (58,261)	-1.87%	

It is important to note that the City’s collections lag the actual taxable sale by four months. The “Minus Transfers to MSD Funds” row reflects a portion of sales tax revenue that is distributed to the City’s two municipal service districts (MSDs), based on percentage of assessed value. The Main St. MSD receives 5% of the actual revenues and the 7th Avenue MSD receives 1% of the actual revenues. This continues to be a strong revenue source for the two MSDs.



The FY18-19 Budget includes a **6%** increase in sales tax revenues from the FY17-18 estimated final collection. The budget for local sales tax collections in the General Fund is **\$3,507,017**, less \$207,017 in transfers, for a total of \$3,300,000 in FY18-19.

Lastly, there is a proposed bill in the North Carolina General Assembly (NCGA) regarding local sales tax. House Bill 900 Safe Infrastructure and Low Property Tax Act would provide municipalities the option, if approved through a public referendum, to leverage a ¼ cent sales tax within their corporate limits. This local sales tax option could provide an estimated **\$1.7 million** in new revenue for the City. This revenue is substantial and could help alleviate pressure on the general ad valorem tax base.

Restricted Intergov. – Powell Bill Street Allocation: Two years ago, the General Assembly eliminated the tie between the gas tax and Powell Bill funds and instead made the Powell Bill a direct appropriation of state dollars. The General Assembly could choose to adjust the amount of Powell Bill funds during its budget process, but the best projection at this time is that there will be no change in the coming fiscal year. In addition to Powell Bill funds provided by the State, the City contributes approximately one penny worth of property tax revenue to the program. The total funding budgeted for the Powell Bill line item in FY18-19 is **\$543,682**.

In addition to the Powell Bill funds, this revenue source accounts for various other restricted intergovernmental contributions. Some of these funds are for ABC law enforcement, Hendersonville Housing Authority police officers, and school resource officer reimbursements. This year Henderson County has appropriated **\$480,000** for school resource officer reimbursements.

Permits & Fees: A **\$15** motor vehicle tag fee is recommended as part of the FY18-19 budget. Municipalities in North Carolina are authorized under general law to levy up to a \$30 licensing tax on any motor vehicle resident in the municipality. General Statute 20-97(b) details this authority. This revenue source is conservatively estimated to generate **\$150,000** in recurring revenues, to be used for transportation and street improvements.

Sales & Services: This funding source is estimated to decrease by **\$142,050** or **34.79%** in the FY18-19 budget. This is due to the management of the Patton Pool being contracted with the local YMCA. This revenue source has a corresponding expenditure decrease.

Fund Balance: The North Carolina Local Government Commission recommends that local governments maintain a minimum available fund balance of no less than eight percent (8%) of expenditures. The City of Hendersonville's fund balance goal is a range between **25%-35%**. If the available fund balance drops below the 25% mark, then the City Manager has to present a plan to Council as to how to achieve the adopted goal. The City of Hendersonville's available fund balance as of June 30, 2017 is **\$4,326,041**, or **31.13%** of budgeted expenditures. The total fund balance is **\$7,381,399** as of June 30th, 2017. The proposed FY18-19 budget estimates that the total fund balance will increase by **\$135,191**. This is a strong fund balance and is within City Council's stated goal.

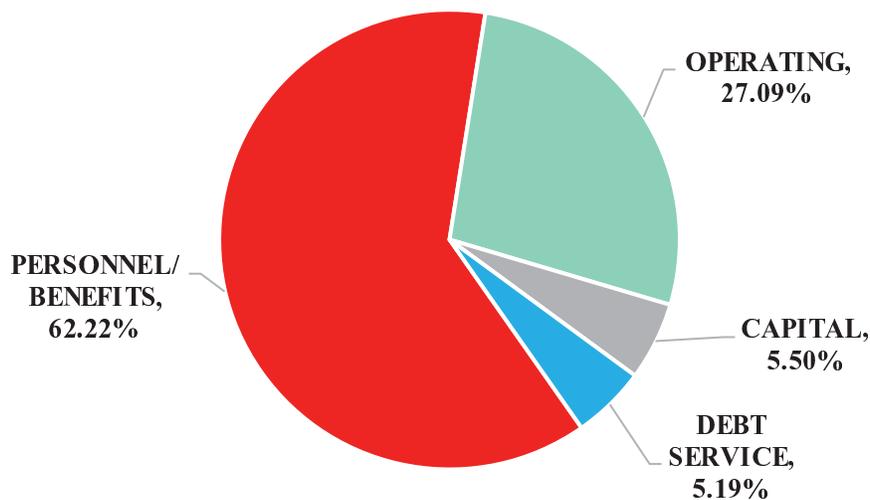


General Fund – Expenditures

The following section will detail the City’s operating expenditures for the General Fund. The total budget for General Fund expenditures is **\$16,011,666**. The table below details the City’s General Fund expenditures by type for FY18-19:

GENERAL FUND EXPENDITURES					<i>*Based on Budget*</i>	
EXPENDITURE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE
PERSONNEL/BENEFITS	\$ 9,590,447	\$ 9,281,653	\$ 9,962,721	\$ 9,636,966	\$ 372,274	3.88%
OPERATING	4,063,659	3,932,817	4,336,764	4,194,963	273,105	6.72%
CAPITAL	965,525	934,437	881,000	852,194	(84,525)	-8.75%
DEBT SERVICE	565,000	565,000	831,181	831,181	266,181	47.11%
SUB-TOTAL	\$ 15,184,631	\$ 14,713,907	\$ 16,011,666	\$ 15,515,304	\$ 827,035	5.45%
TRANSFERS OUT	\$ 160,904	\$ 160,904	\$ -	\$ -	\$ (160,904)	-100.00%
NET TOTAL	\$ 15,345,535	\$ 14,874,811	\$ 16,011,666	\$ 15,515,304	\$ 666,131	4.34%

The chart below presents each expenditure type as a percent of total budgeted expenditures for FY18-19:



Personnel and benefits type expenditures make up the largest portion of General Fund expenditures, at approximately **62%** of the total budget. Operating expenditures make up another large portion at **27%** of the total budget. The remainder of the General Fund budget is spent on capital outlay and debt service.

Personnel/Benefits: Personnel and benefits type expenditures include salaries, stipends, insurance, retirement contributions, and respective taxes (i.e. income tax, etc...). The total increase, for this expenditure type, between the FY17-18 and FY18-19 budgets is **\$372,274**, or **+3.88%**. This increase is a result of an **11.6%** increase in health insurance premiums and three



new School Resource Officer positions. The remainder of the increase is due to natural growth from merit and market increases. The performance based pay program amounts are currently not scheduled to change (**+1.00% Achieves/+1.75% Exceeds/+2.50% Outstanding**). The market, “cost-of-living”, adjustment is proposed to be **1.20%**. Additionally, the budget includes a final compression adjustment of the pay and classification study for number of years in served in current position. The following positions were discussed at City Council’s budget workshop and were recommended to be included in the FY18-19 budget:

1. Hiring of 3 School Resource Officer (SRO) positions to enhance school safety

The City Council directed staff to provide data on the cost of adding three additional SROs in the FY18-19 budget. The total estimated cost for three SROs is \$360,000, with \$220,500 recurring. This impact, in addition to an existing position, will be funded through a \$480,000 reimbursement from Henderson County. These positions were prioritized to provide at least one SRO in each school within the City limits. Additionally, the City will provide one additional SRO to supplement and fill-in when another officer is out sick, on vacation, or during a vacancy.

2. Pursuit of a SAFER Grant for 3 additional Fire Fighter positions

If the Fire Department receives a SAFER grant for hiring three Fire Fighter positions (1 per shift), the grant will fund 75% of the position cost. Currently, there are nine fire fighters on shift (three per apparatus). By hiring a tenth position we will be able to decrease overtime and part-time costs by approximately \$100,000 annually. This savings, combined with the grant, lowers expenditures enough that we can hire the 3 Fire Fighter positions and an Administrative Assistant I position. Due to the logistics of recruitment and hiring the total budget impact will be about half for FY18-19. It is important to note that the grant will only fund 35% in FY21-22 and will require full funding from the City in FY22-23. These positions were prioritized based on the goal of continuing to support the Fire Department’s staffing to a minimum acceptable level in terms of safety on the fire-ground and in accordance with the Fire Dept. Strategic Plan, and increasing our effectiveness and efficiency of collecting and managing our revenue streams.

3. Hire an additional Accountant and Tax Collector position to assist bringing in uncollected revenues

The Finance Department has identified revenue collection as an opportunity moving forward. To this point, the staff has not had time to do in-depth research and work on revenues, above and beyond basic reconciliations and collections. By adding personnel, dedicated to revenue collections, the Finance Department has identified over \$500,000 of outstanding taxes that can be collected through foreclosures, wage garnishments, bank garnishments, and debt set-off. The cost for these positions is partially split with the Water and Sewer Fund as they will also have a focus on general billing and collections for water and sewer revenues.

The 11.6% increase in health insurance premiums is the final variable that lead to the increase in personnel and benefits type expenditures. The original proposed renewal was for a 13.3% premium increase. By making some small adjustments in our co-pays we were able to drop the

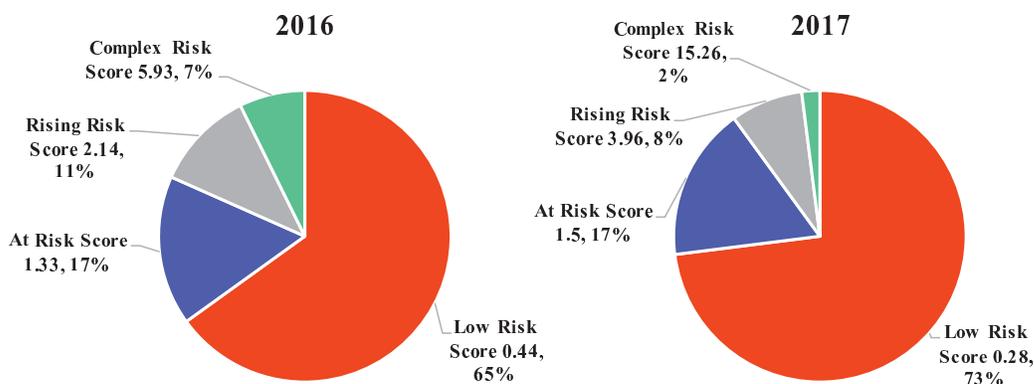


increase by a couple percentage points reducing the cost increase by approximately \$30,500. Those changes are summarized below:

<u>Co-Pay Plan Changes</u>			
Patient Services	FY17-18	FY18-19	
PCP Visits	\$ 30	\$ 35	
Specialist Visits	40	50	
Pharmacy			
Generic	\$ 5	\$ 10	
Preferred	30	40	
Non-Preferred	50	60	
Specialty	75	85	

According to our broker these changes are in line with industry trends. They also reflect changes to a major driver of our premium increase, being pharmacy/Rx costs. We do want to be cognizant that these prescriptions are helping keep members out of the emergency and operating rooms. To raise co-pays to an unreasonable level would be a serious detriment to our plan. We recognize this importance and discussed the co-pay in depth with our broker.

Our greatest challenges continue to be rising Rx costs and chronic hyperlipidemia, hypertension, and diabetes. Our total expense ratio for 2017 was **103.3%** or claims costing **3.3%** more than what we contributed. A provider is typically looking for a ratio of **85%** to break even. Additionally, a provider will consider risk factors, or how much a customer is expected to cost compared to an average risk population, when determining customer contribution levels. The City’s population risk stratification is detailed below:



The “Score” represents the average level or severity of risk on the MARA risk stratification scale. In 2017 our risk metrics improved, increasing our low risk percentage and decreasing our rising risk. However, the score associated with the rising risk and complex risk increased. These high scores are representative of the high cost claimants’ statistics detailed in the annual report

MARA: Milliman Advanced Risk Adjusters. MARA uses medical and Rx claim history to predict an individual’s relative healthcare cost risk compared to an average population risk.



Additional considerations to be included in this budget are the City's participation in a shared clinic located at Pardee Hospital, the new tobacco cessation incentive, and working to develop an health savings account (HSA) as an option for employees in the FY19-20 budget. Ultimately, the nature of healthcare is complex and challenging. The City will continue to manage and encourage beneficial health practices. Through incentive programs, an on-site clinic, various educational and awareness programs, a re-work of our current wellness program, and future potential plan changes, management hopes to reach a stabilizing point in our healthcare costs.

Operating: Operating type expenditures include everything that is not considered capital, salaries/benefits, or debt, so it includes a wide array of accounts and expenditures. The change between the FY17-18 and FY18-19 budgets is an increase of **\$273,105**, or **6.72%**. This year we are seeing an increase from increased Powell Bill spending, continued rising public transit costs, professional services for a zoning ordinance consultant, additional protective clothing for the Fire Department, increased contributions to the Health and Welfare Fund, and inflation. In the budget process departments adjusted approximately **\$78,000** out of their requests. Additionally, the contingencies line item has been decreased by **\$50,000**.

There are no major recommended changes for the General Fund operating budget. However, it is important to note the continued increase in public transit costs. In 2014 the cost for the public transit City portion was **\$98,675**. This year the cost is **\$145,447**. This is a **\$46,772**, or **47%**, increase over five years. The purpose of the recommended \$15 motor vehicle license tax is to assist in paying for these increasing transportation costs.

Capital: Capital type expenditures are physical or intangible assets with an initial value greater than \$5,000 and a projected useful life greater than 1 year. The change between the FY17-18 and FY18-19 budgets is a decrease of **\$84,525**, or **-8.75%**. Fluctuations in capital spending from year to year are normal, however this year the capital program saw substantial cuts in order to help address the current deficit.



A list of the items removed from the CIP for FY18-19 are presented below:

<u>CIP Items Postponed</u>	<u>Cost</u>
Berkeley Baseball Dugouts	60,000
Berkeley Baseball Lighting	210,000
Berkeley Baseball Field Improvements	12,000
Berkeley Improvements (master plan)	300,000
City Hall Landscape	25,000
FS#1 Apparatus Floor Resurfacing	50,000
FS#1 HVAC Replacement	30,000
FS#1 Renovation Architect	25,000
FS#1 Repair Front Apron	90,000
Painting Contract	20,000
Patton Park Bleachers	8,000
Patton Pool Fence	16,000
Patton Pool Umbrellas	20,000
Patton Pool Vacuum	5,000
Police Computer Replacements	25,000
Police Vehicle Replacements (3)	133,000
Sub-Total	1,029,000

Additionally, the Whitmire building improvements, an estimated \$150,000, are recommended to be funded through debt proceeds associated with the Mill streetscape improvements and Main St. public restrooms debt issuance. This will provide additional collateral for that loan and alleviate pressure on the General Fund to pay for these projects through pay-go funding. The total pay-go portion of the capital plan is **\$241,000**. Historical averages for pay-go capital ranges from **\$900,000** to **\$1,000,000**. Again, this is a slim capital program for FY18-19.

Debt Service: Debt service type expenditures are those associated with the payment of principal and interest owed by the City. The change between the FY16-17 and FY17-18 budget is an increase of **\$266,181**, or **47.11%**. This increase can be attributed to a combination of two factors. In FY15-16 the City created a debt service fund and transferred a portion of reserves to that fund to make payments on debt service notes ending in FY19-20. This dropped the General Fund’s annual principal and interest payments. In FY17-18 the City refunded an outstanding general obligation bond and through that process depleted the reserves in the debt service fund. This required the General Fund to cover the portion of principal and interest payments for this final fiscal year, prior to the notes being paid in full in FY19-20. This is the reason this expenditure type increased by \$266,181 in FY18-19. It is estimated that \$120,000 of principal and interest payments will decrease in FY19-20, associated with the completion of payments for the City Hall Renovation debt issuance. Upcoming debt projects include the new Police Headquarters, Main St. Public Restrooms, Mill Project Streetscape, Public Works Maintenance Facility, and the 7th Avenue Streetscape Phase I. The loan for the Main St. Public Restrooms

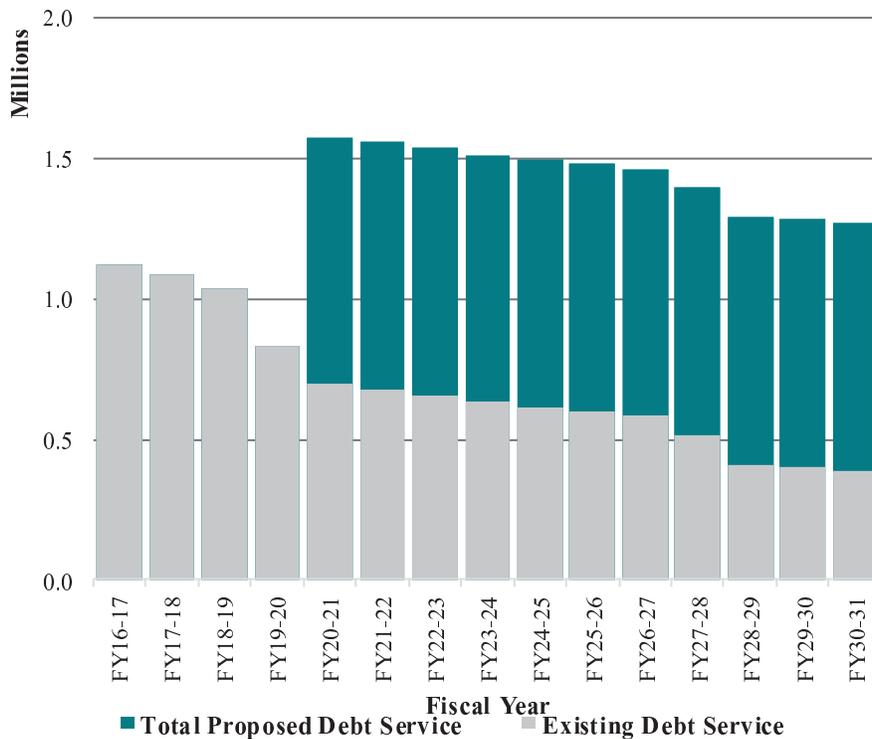


project will be funded through Main Street MSD Fund revenues and the loan for the Mill Project Streetscape will be funded through project revenues from the sale of the Grey Hosiery Mill.

The following table details the City’s existing and proposed debt obligation for the General Fund:

Project	Finance Type	Outstanding Principal	Interest	End Date	FY18-19 Payment
General Fund - Existing					
2008 G.O. Bond Refunding	General Obligation	\$ 1,500,000	2.02%	FY26-27	\$ 193,129
City Hall Reno. Loan	Bank Loan	\$ 583,334	4.10%	FY18-19	\$ 119,098
Fire Engine #2 Replacement Loan	Bank Loan	\$ 664,621	2.49%	FY31-32	\$ 52,081
Main St., Fire Station/Engine Loan	Bank Loan	\$ 5,100,000	4.10%	FY32-33	\$ 454,433
Parking Kiosk Loan	Bank Loan	\$ 56,023	3.10%	FY21-22	\$ 12,438
General Fund - Proposed					
7th Avenue Streetscape Loan	Bank Loan	\$ 1,400,000	4.00%	FY38-39	\$ 103,014
Capital Equipment Loan	Bank Loan	\$ 615,000	4.00%	FY33-34	\$ 55,314
Police Station Loan	Bank Loan	\$ 8,000,000	4.00%	FY38-39	\$ 586,654
PW-Maintenance Bldg. Loan	Bank Loan	\$ 1,500,000	4.00%	FY33-34	\$ 134,912

The following chart details the City’s total existing and proposed debt service payments through FY29-30:



It has been communicated that our future debt and expenditures will require recouping revenues through the county-wide real property reappraisal next budget year. This means remaining revenue neutral (i.e. not adjusting the property tax rate) for a real property increase of at least **18%**. This is expected to provide enough revenues to break even with expenditures in FY19-20. The current County estimate is an average increase of 15% – 30%. If the reappraisal comes in higher than 18%, then the City will need to evaluate how much revenue above and beyond our break-even point to retain. We mention this because there are still a number of unfunded projects in our strategic plan, including the construction of Fire Station #3, improvements at Berkeley Park, a Parking Deck, Main Street Avenue improvements, and Customer Service Renovations. These projects combined with service demands will continue to drive the need for additional revenue options.

More detail on the General Fund and long range strategic plan can be found in the *Community and Organization Profile* and *Financial Summaries* sections of this document.



Water & Sewer Fund

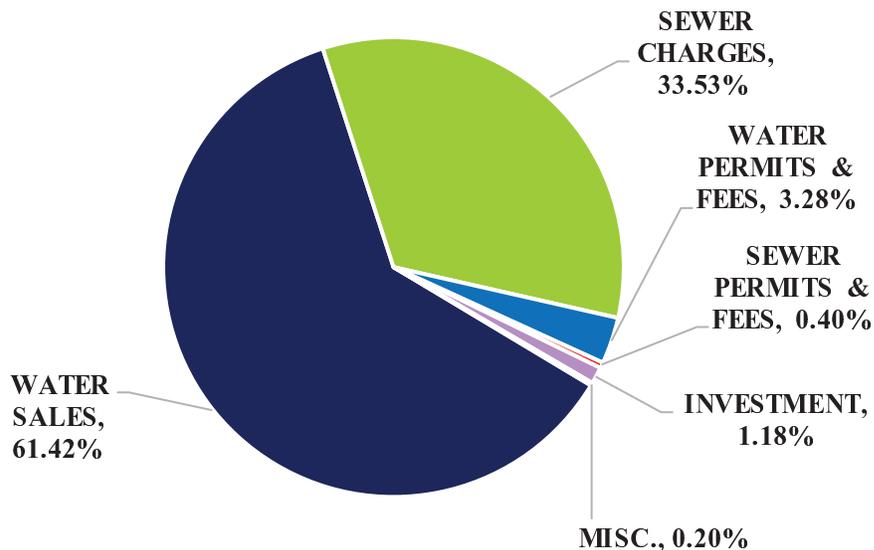
The Water and Sewer Fund is an enterprise fund and is primarily funded through user charges. The Fund is the largest part of the City of Hendersonville’s operating budget, **47.03%** or **\$16,639,133** of the total \$35,476,475 budget for FY18-19.

Water & Sewer Fund – Revenues

The following section will detail the City’s operating revenues for the Water and Sewer Fund. The total operating revenue budget for this Fund, excluding “Other Financing Sources” is **\$16,167,196**. The following table shows the revenues for FY18-19:

WATER/SEWER FUND REVENUES						*Based on Budget*	
REVENUE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE	
WATER SALES	\$ (9,536,461)	\$ (9,917,919)	\$ (9,929,436)	\$ (10,028,730)	\$ (392,975)	4.12%	
SEWER CHARGES	(4,806,412)	(4,998,668)	(5,420,415)	(5,474,619)	(614,003)	12.77%	
WATER PERMITS & FEES	(524,500)	(545,480)	(529,745)	(535,042)	(5,245)	1.00%	
SEWER PERMITS & FEES	(65,000)	(67,600)	(65,200)	(65,852)	(200)	0.31%	
INVESTMENT	(190,000)	(197,600)	(190,000)	(191,900)	-	0.00%	
MISC.	(34,900)	(36,296)	(32,400)	(32,724)	2,500	-7.16%	
SUB-TOTAL	\$ (15,157,273)	\$ (15,763,564)	\$ (16,167,196)	\$ (16,328,868)	\$ (1,009,923)	6.66%	
OTHER FINANCING SOURCES	\$ (6,854,423)	\$ (5,562,323)	\$ (471,937)	\$ -	\$ 6,382,486	-93.11%	
NET TOTAL	\$ (22,011,696)	\$ (21,325,887)	\$ (16,639,133)	\$ (16,328,868)	\$ 5,372,563	-24.41%	

The chart below presents each revenue source as a percent of total budgeted revenues for FY18-19:



Rate Study: The Water and Sewer Fund generates revenue via various user charges and fees. User charges comprise about 95% of all utility revenues. Due to reliance on user charges, the rate study will have significant implications for the Utility’s revenue stream. Proposed changes



to rate structure in the Water and Sewer fund will increase revenue for the utility system in order to fund necessary capital improvements. Changes in the proposed rate structure will accomplish a number of objectives: (1) establishes more encompassing volumetric rate blocks, (2) maintains the utility's debt service coverage ratio at a 1.0 or higher, and (3) funds the debt and capital needs of the utility system through fiscal year 2030. These changes for customers will be experienced to different degrees. Industrial and commercial customers can expect a more notable change in charges as the City moves away from a declining block structure. Residential customers will experience gradual and less notable change than industrial and commercial customers. It is anticipated in some cases residential customers will see a decline in payments for service. Overall, the changes will enhance equitable service delivery, ensuring long-term sustainability for the system.

Following the City Council's retreat in February, staff asked the rate consultant to provide scenarios regarding system development charges, industrial comparisons, and rate differentials. Information regarding these topics is presented below.

System Development Charges (SDCs): In addition to the user fees and charges summarized above, the City considered the option to re-implement system development charges (SDCs). Re-implementation of SDCs may increase the utility's revenues from taps and fees, decreasing current reliance on user charges. Conservatively, SDC revenues are estimated to produce \$492,135 per year, on average. They may also shift some financial burden from current customers who are already invested in the system to those customers who have not previously invested in existing and future infrastructure. Re-implementation would also decrease the total rate increases by approximately 1%, or a \$0.25 less per month on a typical residential customer. This information was presented to the Water Advisory Council at their regular April meeting and they took formal action to make a recommendation that the City Council not re-implement this fee. This revenue source has not been included in this proposed budget for FY18-19.

Industrial Rate Comparisons: After the retreat, the City's rate consultant provided City staff with a corrected industrial comparison under a flat rate for volumetric charges to industries. We currently have a declining block (pay less for the more you use) structure. The original recommendation was to go to a flat rate in year one. After seeing the impact of a year one full implementation, it was apparent that this would have a substantial impact on our industry stakeholders. As a result, the City Manager is recommending that City Council phase out the declining block over 5-years, rather than all at once. This will give current industries time to react to the changes and provide an opportunity to maintain a competitive edge for utility costs as they relate to economic development. The 5-year phased implementation maintains a lower Hendersonville water and sewer rate for a majority of meter size and usage scenarios.

Rate Differentials: For informational purposes, the City asked the rate consultant to produce a model under a unified rate structure (i.e. residents outside the City-limits pay the same rates as those inside). Under this scenario, a residential customer using 3,000 gallons of water would pay



\$19.29 per month. This would be a \$4.80 per month increase for the inside City customer and a \$2.56 per month decrease for the outside City customer. A full customer impact table is available. This is simply for informational purposes and the current rate model maintains a 150% differential for outside customers.

Other Financing Sources – Fund Balance: Similar to the General Fund, the Water and Sewer Fund maintains a fund balance or retained earnings. However, the LGC does not provide a recommended minimum level. The City Council has established and adopted its own policy goal of a range from 50% - 75% of expenditures. This level is higher than the General Fund because water and sewer type infrastructure and expenditures are typically more costly. The fund balance as of June 30th, 2017 was **\$14,973,146**, or **91%** of estimated operating expenditures for FY16-17. It is estimated that this Fund’s fund balance will increase by **\$351,300** in FY18-19.

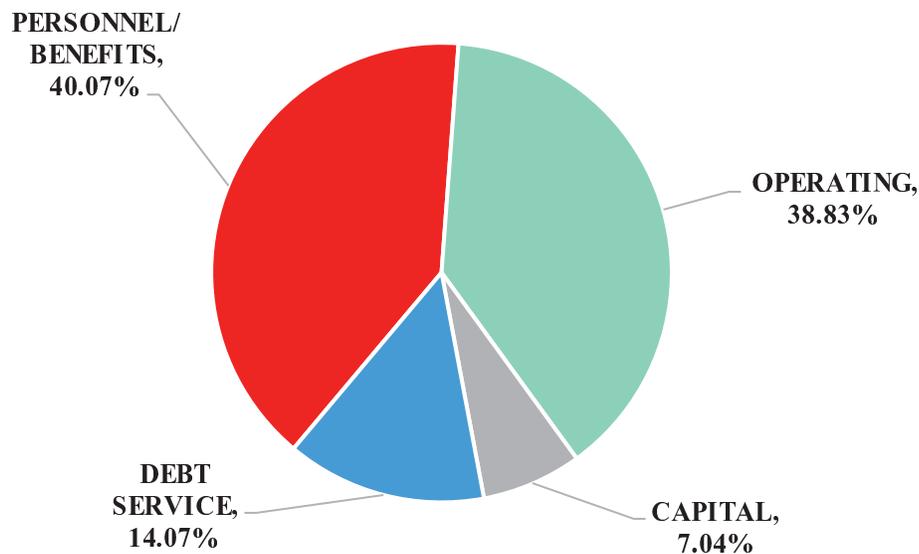


Water & Sewer Fund – Expenditures

Hendersonville Water and Sewer is responsible for providing water service to more than 65,000 residents and businesses of Hendersonville and Henderson County and sewer service to more than 21,000 residents and businesses. The Water and Sewer Fund continues to evaluate and improve its already high quality services through work with various outside consultants, stakeholder groups, and internal strategic priority meetings. The recommended expenditures in this memo reflect the priorities identified in the aforementioned initiatives. Below is a breakdown of the Fund’s total expenditures for FY18-19:

WATER/SEWER FUND EXPENDITURES					*Based on Budget*	
EXPENDITURE TYPE	BUDGET FY17-18	ESTIMATE FY17-18	BUDGET FY18-19	ESTIMATE FY18-19	DOLLAR CHANGE	PERCENT CHANGE
PERSONNEL/BENEFITS	\$ 6,265,100	\$ 5,961,453	\$ 6,626,887	\$ 6,318,419	\$ 361,787	5.77%
OPERATING	6,252,947	5,949,889	6,421,668	6,122,753	\$ 168,721	2.70%
CAPITAL	1,572,608	1,496,389	1,164,000	1,109,818	\$ (408,608)	-25.98%
DEBT SERVICE	2,982,434	2,982,434	2,326,578	2,326,578	\$ (655,856)	-21.99%
SUB-TOTAL	\$ 17,073,089	\$ 16,390,165	\$ 16,539,133	\$ 15,877,568	\$ (533,956)	-3.13%
TRANSFERS OUT	\$ 4,935,722	\$ 4,935,722	\$ 100,000	\$ 100,000	\$ (4,835,722)	-97.97%
NET TOTAL	\$ 22,008,811	\$ 21,325,887	\$ 16,639,133	\$ 15,977,568	\$ (5,369,678)	-24.40%

The chart below presents each expenditure type as a percent of total budgeted expenditures for FY18-19:



Personnel/Benefits: Personnel and benefits expenditures include salaries, insurance, retirement contributions, and respective taxes (i.e. income tax, etc.). The total increase, for this expenditure type, between the FY17-18 and FY18-19 budgets is **\$361,787** or **+5.77%**. This increase is the result of a health insurance premium increase, implementation of a part of the pay and classification plan, and the hiring of additional personnel. New personnel proposed for the



upcoming fiscal year will assist by reducing cost for the City to complete services previously offered by contractors. Additionally, the budget associated with the vacant Finance Manager position has been converted into an Accountant position and AMI Data Analyst position. The total personnel requested for FY18-19 include:

1. Meter Maintenance Mechanic
2. Generator Maintenance Mechanic
3. Wastewater Collections Line Maintenance Crew Leader
4. Wastewater Collections Line Maintenance Mechanic (2)
5. AMI Data Analyst
6. Accountant

New positions listed above are justified through cost-savings anticipated versus the option to contract necessary services to the private sector. Hiring new personnel will increase service levels for the Water and Sewer Department.

Operating: Operating type expenditures include everything that is not considered capital, salaries/benefits, or debt, so it includes a wide array of expenditures. The change between the FY16-17 and FY17-18 budgets is an increase of **\$168,721**, or **+2.70%**. It is important to note when considering operating expenditures, is their likelihood to fluctuate from budget to actual spending. This is common due to the nature of system repair and maintenance. Leaks and other damages to the system vary in cost and severity, and tends to drive the need for a high initial budget that may not always be completely used during the year.

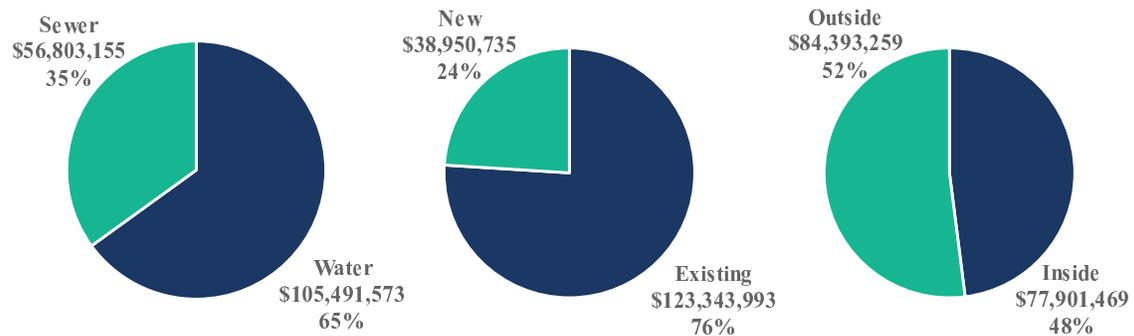
Capital: The Utility's pay-go capital budget is in line with historical averages, totaling \$1.6 million, and was discussed in the City's initial CIP communication in February. The total pay-go budget for FY18-19 is **\$1,164,000**. Pay-Go funded projects are typically smaller, frequently purchased, or common equipment and vehicles.

In addition to pay-go financed projects, the City has planned for reserve and debt series funded projects. Reserve projects are major projects funded through the Water and Sewer Fund's fund balance (savings). Reserve funded projects allow the City to purchase or complete larger projects while reducing dependence on debt (loans/bonds). The City plans to fund projects totaling \$10.18m using reserves. Funds were made available through transfers to these projects over the past three fiscal years.

Debt series projects are funded through borrowing. Debt funded projects are typically larger projects that would be difficult to fund within a reasonable timeframe through pay-go or when reserves are not available. There will be debt series funded projects beginning in FY18-19; however, debt will not be issued for the projects until FY19-20 and payments on the debt will not begin until FY20-21. Total expense for debt series funded projects beginning in FY18-19 is anticipated to be \$21.11m.



After the City Council retreat in February, staff took time to make final revisions to the CIP and prepare for costs associated with approaching NCDOT projects. This reprioritization lowered the total capital spend by approximately \$10 million through 2030 and added in City costs for the NCDOT projects. These projects are in-line with the water system master plan developed in FY16-17. The final average breakdown for the CIP through 2030 is presented below:



Additionally, a table listing the debt and reserve funded projects through FY19-20 is provided below:

Project Title	Water	Sewer	Inside	Outside	Existing	New	Funding Source	Project Costs
Etowah Water System Improvements	100%	0%	0%	100%	50%	50%	Reserve	4,200,000
WTP Pumps and Equipment Upgrade	100%	0%	30%	70%	80%	20%	Reserve	2,574,000
WWTP Generator & ATS	0%	100%	70%	30%	0%	100%	Reserve	912,500
WWTP Gravity Filter Replacement	100%	0%	70%	30%	100%	0%	Reserve	2,300,000
Eastside Transmission Main, Phase 2 & 3	100%	0%	0%	100%	0%	100%	2020 Series	5,100,000
French Broad River Water Intake, Phase 2	100%	0%	30%	70%	0%	100%	2020 Series	5,925,000
NCDOT Airport Road	100%	0%	0%	100%	100%	0%	2020 Series	700,000
NCDOT Shepherd/Erkwood	100%	0%	0%	100%	100%	0%	2020 Series	300,000
Northside Water System Improvements	100%	0%	0%	100%	50%	50%	2020 Series	3,600,000
WTP Expansion, 12-MGD to 15-MGD	100%	0%	30%	70%	100%	0%	2020 Series	1,387,000
WWTP Sludge Drying System	0%	100%	50%	50%	0%	100%	2020 Series	4,100,000

Debt Service: As outlined in the capital projects section, the City funds a number of projects through debt financing. Debt financing helps the City meet current obligations using future financial resources. Debt financing requires payments on principal and interest over a fixed number of years.

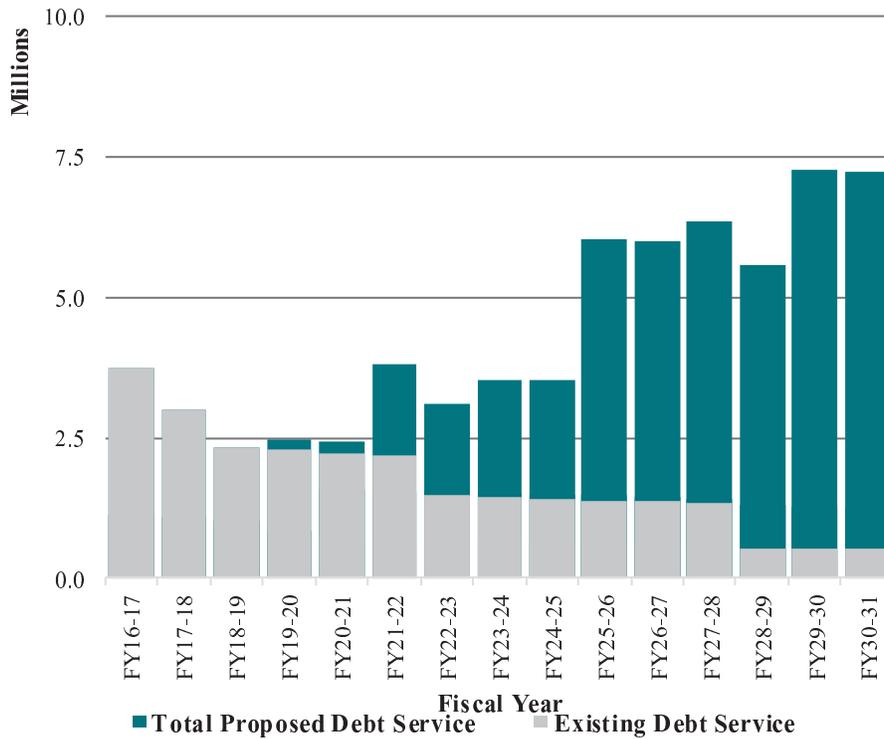
The City has issued debt in the past and; therefore, has current debt service payments. Some of these payments will roll off as the loans are paid back in full. Debt which will be paid in full in FY17-18 includes debt issued for a water treatment plant upgrade and debt issued for sewer line improvements.

There is approximately **\$136.65** million worth of debt issuances proposed in the 10-year CIP. An estimated **\$21.10** million is proposed to be issued in a FY19-20 series. The rate study

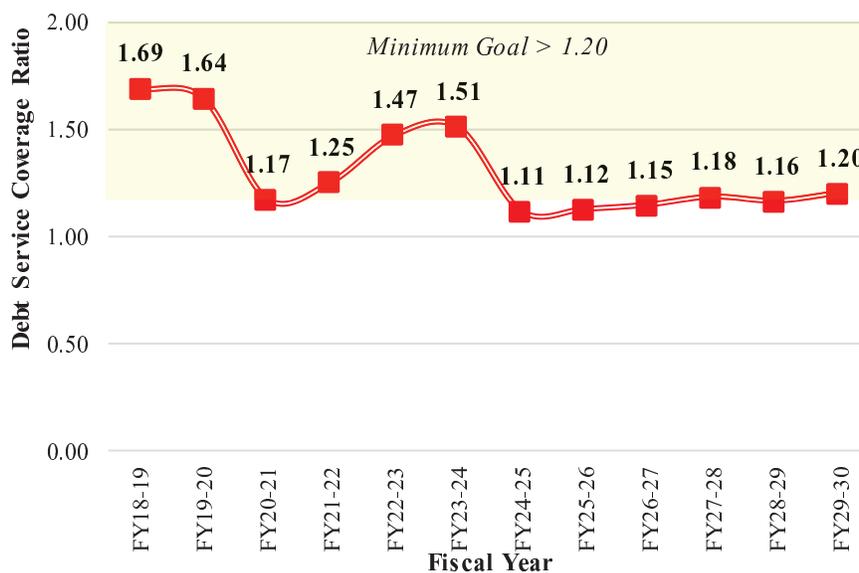


recommendations were based on the ability to fund these proposed project while maintaining acceptable debt service coverage, operating, and available fund balance ratios.

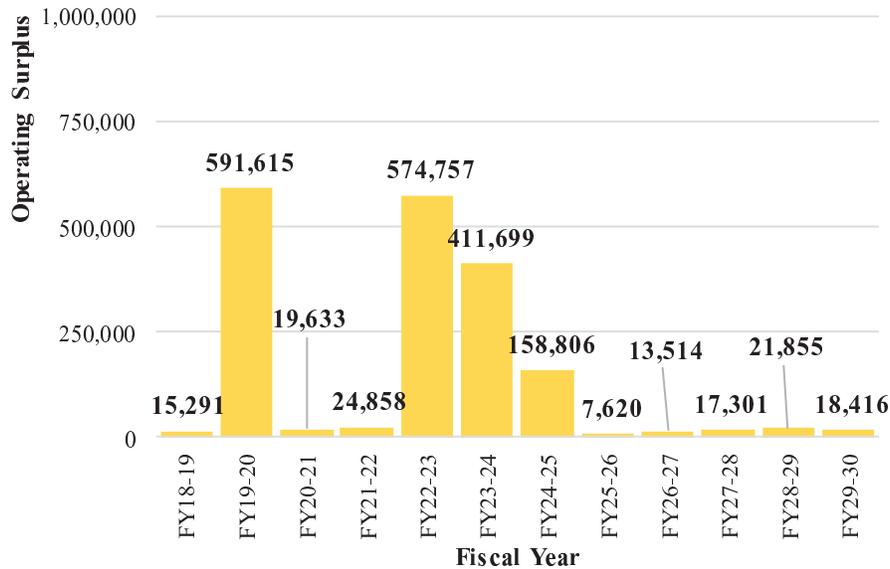
The following chart details the Utility’s total existing and proposed debt service payments through FY29-30:



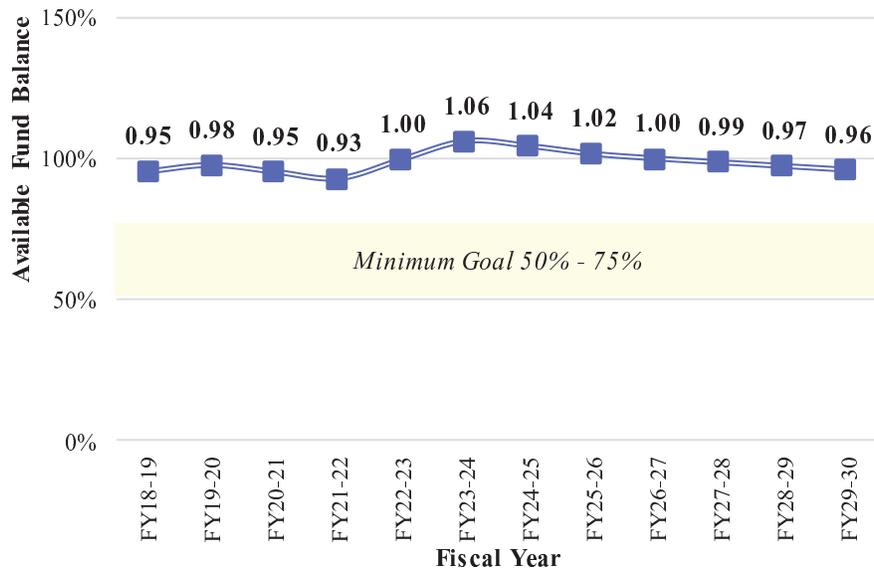
The following chart details the Fund’s debt service coverage ratio and the expected impacts through FY29-30:



The following chart details the Fund’s operating ratio and the expected impacts through FY29-30:



The following chart details the Fund’s available fund balance ratio and the expected impacts through FY29-30:



Transfers Out: A major part of the prior year budgets are transfers to capital project ordinances. In FY17-18, these costs totaled approximately **\$4,935,722**. These were planned uses of the Fund’s reserves to pay for major projects. These projects have been identified above in the capital narrative. The total cost for these projects have been transferred to their respective funds and we do not include any major transfers in the FY18-19 budget. There is a transfer for \$100,000 to the Water and Sewer Capital Reserve Fund. This transfer will be used to build a capital reserve designated to pay for economic development projects within the County.



Other Funds

In addition to the two largest City funds, the City budgets for a variety of other funds. These include enterprise funds, special revenue funds, capital reserve funds, and internal service funds. These remaining funds make up approximately **7.96%**, or **\$2,825,676**, of the total budget for FY18-19.

Downtown Program

Under the authority provided by the State, the City levies two separate municipal service district (MSD) taxes in addition to its base ad valorem taxing authority. These two MSDs participate in the North Carolina Main Street Program and provide services above and beyond the standard services provided throughout the City. Using the National Trust for Historic Preservation's Main Street Four Point Approach, the Advisory Committees seek to support and build upon inherent strengths in the City's two historic commercial districts. The Main Street Four Point approach includes Organization, Design, Economic Restructuring and Promotions. The two historic commercial districts that are part of the City of Hendersonville's Downtown Economic Development Program are each defined by Municipal Service Districts.

Main Street MSD Fund: The Main Street municipal service district is bounded by Church and King Streets to the west and east and 7th Avenue and Allen Street to the north and south. This special tax district (**\$0.28 per \$100 tax value**) funds the varied work of the City and the Main Street Advisory Committee as it relates to supporting a vibrant Main Street district. In the FY18-19 budget there is no recommended change in the property tax rate and no budgeted fund balance appropriation. Mentioned in the General Fund section, this Fund will be responsible for the payments associated with the Main Street Public Restrooms project. This project is estimated to cost \$825,000 and which a portion of will be financed through debt proceeds. Through a grant from the Tourism Development Authority and a transfer of Main St. MSD Fund fund balance, it is estimated that recurring debt service payments will total between \$25,000 and \$50,000. The MSD Fund is prepared to take on this recurring expenditure. The Fund also funds various special events and infrastructure. The total budget for the Fund is **\$475,057** in FY18-19.

7th Avenue MSD Fund: The 7th Avenue District's boundary encompasses the Avenue from Four Seasons Boulevard east to the Oklawaha Greenway and extends down Locust Street at its intersection with 7th north to 9th Avenue. The special tax district (**\$0.12 per \$100 tax value**) funds the varied work of the City and the Seventh Avenue Advisory Committee as it relates to supporting a vibrant Seventh Avenue district. In the FY18-19 budget there is no recommended change in the property tax rate and no budgeted fund balance appropriation. The Committee is also exploring the costs to make infrastructure and landscape improvements at the Historic Train Depot on 7th Avenue. The total budget for the Fund is **\$59,083** in FY18-19.

Both proposed budgets for FY18-19 were recommended for approval by their respective advisory committees. More detail can be found in the *Other Funds* section of this document.



Environmental Services

The City funds two enterprise funds relating to sanitation and stormwater. The first, is the Environmental Services Fund which provides sanitation services to rate payers within the City. The second, is the Stormwater Fund which provides stormwater infrastructure improvements, street and gutter cleaning, and maintains the City's NPDES phase II permit with the State of North Carolina.

Environmental Services Fund: The total budget for this Fund is **\$1,398,377** in FY18-19. There is no recommended changes in rates and the budget includes a fund balance appropriation of **\$198,177**. It is estimated that the actual fund balance appropriation will be less at year end. This appropriation is partly due to the purchase of non-recurring capital expenditures, including a leaf machine replacement, service truck replacement, and route software upgrade. The Fund's fund balance totals **\$620,600** as of June 30th, 2017 and is expected to decrease by approximately \$200,000 in FY17-18. This is a strong fund balance and the appropriation for FY18-19 will not be a substantial deterrent on continued sustainability. Seeing that fund balance has been required to fund non-recurring capital outlay, the Council will need to consider a more sustainable funding structure for capital needs in future years. This combined with growing service demands at the outer edges of our corporate limits, will drive the need to look at rates and revenue options in FY19-20 and beyond.

Stormwater Fund: The total budget for this Fund is **\$337,274** in FY18-19. This budget includes a rate increase on the stormwater fee from a flat rate \$2 per month to \$3 per month, a **\$1** increase. This increase is expected to generate an additional **\$100,000** in revenues for FY18-19. There is a budgeted fund balance appropriation of \$9,774 however, this is not expected to actually be appropriated at year end. The \$1 increase in rates is designated for a stormwater master plan to evaluate the Wash Creek watershed. This master plan will serve as a guide and template for other watersheds in the future. City Council directed staff to start with this study to further identify stormwater capital needs, prior to adopting a more progressive rate structure. This is the next step in the development of a full service stormwater utility. Additionally, staff have submitted applications for two separate grants to assist with Patton Park stormwater improvements and Hendersonville Elementary School runoff improvements.

More detail can be found in the *Enterprise Funds* section of this document.

Internal Service Fund

The City provides one internal service fund for the provision of health and welfare employee benefits. Internal service funds are used to account for the financing of goods or services provided by one department or agency of a governmental unit to other departments or agencies of the same governmental unit on a cost-reimbursement basis. The City's Health and Welfare Fund is adopted by ordinance as a financial plan, in accordance with North Carolina law.



Health & Welfare Fund: The total budget for this Fund is **\$362,885** in FY18-19. This Fund pays for the City’s MERP plan claims and provides other employee benefit services. These services are managed by the Wellness Committee and program. Each City fund makes annual contributions to this Fund to pay for the services provided.

Special Revenue Funds

The City supports a variety of other special revenue funds. These funds are relatively small in comparison to the other functions of the City. Some of the functions that these funds provide are related to police and fire community services, historic preservation, and the City’s Walk of Fame Committee. In total these funds make up **\$93,000** of the total budget. Their primary revenue source comes from donations or events which creates uncertainty when budgeting for revenues. Considering that uncertainty, each year we balance these budgets through fund balance appropriations rather than creating revenue accounts that may or may not be realized.



Budget in Total

The long-term revenue picture for the City of Hendersonville appears to be good. We are experiencing residential and commercial growth in all parts of the City. Local real estate agents have informed us that residential property sales continue to exceed expectations and property values have grown by at least eighteen percent since 2015. This should translate into a strong property revaluation in FY2019-20. In addition, several commercial projects are under construction and developers have recently contacted City staff regarding potential projects in the City. I expect this activity to continue for at least the next twelve months as Hendersonville solidifies its position as a major residential and commercial center in the Asheville Metropolitan Statistical Area.

The City Council has taken several bold steps over the last several years to improve its position to attract new visitors, industry and commercial development to Hendersonville. The City has supported the continued growth of Team Ecco Aquarium, Flat Rock Playhouse, and Hands on Children's Museum. All three of these non-profits agencies serve as visitor destinations. These efforts along with the significant infrastructure investments in the Main Street and 7th Avenue Municipal Service Districts are paying significant dividends in fostering private reinvestment by local property owners. The City has also made significant investment in the work of the Henderson County Economic Development Partnership's Property Investment Fund. These funds in addition to water and sewer infrastructure improvements are being used to improve our ability to bring and support world class manufacturing facilities in Henderson County.

In planning for the future, we must be vigilant in understanding how the growth of the community directly affects how existing services are provided to our citizens and visitors. Service and program costs can directly impact the long-term financial health of the City of Hendersonville. In addition, expecting City departments to maintain a high level of service in a fast growing community without additional resources will lead to low morale, significant organizational turnover and poor service. City management will work with the City Council to balance service level expectations and the needs for additional personnel and equipment. However, it must be recognized the many of our peer cities are operating on larger budgets, higher tax rates, and with more personnel.

In summary, this proposed budget is balanced in accordance with State statutes and attempts to address the priorities, which have been set by the City Council for the 2018-2019 Fiscal Year. The budget is fiscally sound, and although it does not fund all the requests made by departments or external agencies, it does address the top priority needs of the City and is set at a level to maintain a high level of service for Hendersonville citizens, customers, and partners.



My appreciation is expressed to Brian Pahle and other staff members who helped in preparing this budget.

I recommend this proposed budget for Fiscal Year 2018-2019 to the Mayor and City Council.

Respectfully submitted,



John F. Connet
City Manager



Ordinance # _____

BUDGET ORDINANCE

**AN ORDINANCE MAKING APPROPRIATIONS FOR CERTAIN EXPENSES,
CAPITAL IMPROVEMENTS AND INDEBTEDNESS OF
THE CITY OF HENDERSONVILLE, NORTH CAROLINA
FOR THE YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, the City of Hendersonville is coming to the conclusion of its fiscal year and will enter into a new fiscal year on July 1, 2018; and

WHEREAS, it is necessary and required that prior to entering into a new fiscal year a budget must be passed and adopted for the operation of the city government; and

WHEREAS, a public hearing and a work session have been held wherein the public has been notified and invited to be present.

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

SECTION 1: That the following amounts are hereby appropriated for the major governmental and proprietary budgets, together with a financial plan for internal service funds, for the City of Hendersonville and its activities for the fiscal year beginning July 1, 2018, and ending June 30, 2019, in accordance with the chart of accounts heretofore established for this City:

GOVERNMENTAL FUNDS**General Fund****General Fund**

Budgeted Revenues	\$(14,914,666)
Ad Valorem Taxes	(8,239,971)
Other Taxes & Licenses	(11,000)
Unrestricted Intergovernmental	(4,712,425)
Restricted Intergovernmental	(1,066,520)
Permits & Fees	(403,900)
Sales & Services	(266,250)
Investment Earnings	(83,600)
Miscellaneous	(131,000)
Budgeted Expenditures	\$16,011,666
General Government	2,221,679
Police	5,543,657
Fire	2,971,163
Development Assistance	491,683
Public Works	4,042,303
Debt Service	831,181
Other Finance (Sources)/Uses	\$(1,257,000)
Proceeds of Debt	(615,000)
Transfers (In)	(30,000)
Transfers Out	-
Fund Balance Appropriated	(452,000)
Sub-Total Appropriation	\$16,011,666



Special Revenue Funds**Fire Community Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$2,000
General Administration	2,000
Other Finance (Sources)/Uses	\$(2,000)
Fund Balance Appropriated	(2,000)
Sub-Total Appropriations	\$2,000

Historic Preservation Commission Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$15,000
General Administration	15,000
Other Finance (Sources)/Uses	\$(15,000)
Fund Balance Appropriated	(15,000)
Sub-Total Appropriations	\$15,000

Kennel Club Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$7,500
General Administration	7,500
Other Finance (Sources)/Uses	\$(7,500)
Fund Balance Appropriated	(7,500)
Sub-Total Appropriations	\$7,500

Main Street MSD Fund

Budgeted Revenues	\$(475,057)
Ad Valorem Taxes	(236,873)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(173,684)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(500)
Miscellaneous	(64,000)
Budgeted Expenditures	\$475,057
Downtown Program	\$475,057
Other Finance (Sources)/Uses	\$(-)
Fund Balance Appropriated	(-)
Sub-Total Appropriations	\$475,057

Motor Unit Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$1,000
General Administration	1,000
Other Finance (Sources)/Uses	\$(1,000)
Fund Balance Appropriated	(1,000)
Sub-Total Appropriations	\$1,000



Special Revenue Funds (cont.)**Needy Persons Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$7,500
General Administration	7,500
Other Finance (Sources)/Uses	\$(7,500)
Fund Balance Appropriated	(7,500)
Sub-Total Appropriations	\$7,500

PD Federal Drug Forfeiture Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$5,000
General Administration	5,000
Other Finance (Sources)/Uses	\$(5,000)
Fund Balance Appropriated	(5,000)
Sub-Total Appropriations	\$5,000

PD State Drug Forfeiture Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$50,000
General Administration	50,000
Other Finance (Sources)/Uses	\$(50,000)
Fund Balance Appropriated	(50,000)
Sub-Total Appropriations	\$50,000

RAD Fund

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$1,000
General Administration	1,000
Other Finance (Sources)/Uses	\$(1,000)
Fund Balance Appropriated	(1,000)
Sub-Total Appropriations	\$1,000

Seventh Avenue MSD Fund

Budgeted Revenues	\$(59,083)
Ad Valorem Taxes	(17,750)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(33,333)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(500)
Miscellaneous	(7,500)
Budgeted Expenditures	\$59,083
Downtown Program	\$59,083
Other Finance (Sources)/Uses	\$(-)
Fund Balance Appropriated	(-)
Sub-Total Appropriations	\$59,083



Special Revenue Funds (cont.)**Walk of Fame Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$4,000
General Administration	4,000
Other Finance (Sources)/Uses	\$(4,000)
Fund Balance Appropriated	(4,000)
Sub-Total Appropriations	\$4,000

PROPRIETARY FUNDS**Enterprise Funds****Environmental Services Fund**

Budgeted Revenues	\$(1,200,200)
Charges for Services	(1,185,000)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(9,000)
Restricted Intergovernmental	(-)
Permits & Fees	(-)
Sales & Services	(-)
Investment Earnings	(5,000)
Miscellaneous	(1,200)
Budgeted Expenditures	\$1,398,377
Sanitation	1,364,749
Debt Service	33,628
Other Financing Services	\$(198,177)
Fund Balance Appropriated	(198,177)
Sub-Total Appropriations	\$1,398,377

Stormwater Fund

Budgeted Revenues	\$(327,500)
Charges for Services	(325,000)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(-)
Restricted Intergovernmental	(-)
Permits & Fees	(1,500)
Sales & Services	(-)
Investment Earnings	(1,000)
Miscellaneous	(-)
Budgeted Expenditures	\$307,274
Stormwater	307,274
Other Financing Sources	\$20,910
Fund Balance Appropriated	(9,774)
Transfer (In)	(-)
Transfers Out	30,000
Sub-Total Appropriations	\$337,274



Enterprise Funds (Cont.)**Water & Sewer Capital Reserve Fund**

Budgeted Revenues	\$(-)
Miscellaneous	(-)
Budgeted Expenditures	\$100,000
General Administration	100,000
Other Finance (Sources)/Uses	\$(100,000)
Fund Balance Appropriated	(-)
Transfers (In)	(100,000)
Transfers Out	-

Sub-Total Appropriations **\$100,000**

Water & Sewer Fund

Budgeted Revenues	\$(16,167,196)
Charges for Services	(15,349,851)
Other Taxes & Licenses	(-)
Unrestricted Intergovernmental	(-)
Restricted Intergovernmental	(-)
Permits & Fees	(594,945)
Sales & Services	(-)
Investment Earnings	(190,000)
Miscellaneous	(32,400)
Budgeted Expenditures	\$16,539,133
General Business	4,050,387
Facilities Maintenance	1,574,304
Water Treatment Plant	2,058,544
Operations Support	868,308
Water Distribution	2,069,755
Wastewater Treatment Plant	1,760,372
Wastewater Collection	1,830,885
Debt Service	2,326,578
Other Financing Sources	\$(371,937)
Fund Balance Appropriated	(471,937)
Transfers (In)	(-)
Transfers Out	100,000

Sub-Total Appropriations **\$16,639,133**

Internal Service Funds**Health & Welfare Fund**

Budgeted Revenues	\$(362,885)
Charges for Services	(352,635)
Grant Revenue	(-)
Miscellaneous	(10,250)
Budgeted Expenditures	\$362,885
Employee Benefits	362,885
Other Financing Sources	\$(-)
Fund Balance Appropriated	(-)

Sub-Total Appropriations **\$362,885**

Total Appropriations

\$35,476,475



SECTION 2: That the attached detailed budget document be, and the same reflects the estimated revenues, revenue contributions, and budget appropriations of the City of Hendersonville, North Carolina, for the period beginning July 1, 2018, and ending June 30, 2019. A copy of said document shall be furnished to the City Clerk, City Manager and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

SECTION 3: That the City Clerk has published notice of this public hearing and a summary of the proposed budget in a newspaper of local circulation.

SECTION 4: That no appropriations for salaries shall be changed unless authorized by the Council. Appropriations between departments or divisions within one fund, other than salaries, including contingency appropriations, may be transferred therein by the City Manager for the purpose of equalizations when necessary as long as the original total appropriated balance for the fund is not changed. Appropriations within a departments, other than salaries, may be transferred by the department head to make equalizations when necessary.

SECTION 5: There is hereby levied a tax at the rate of forty-nine cents (\$0.47) per one hundred dollars valuation of property as listed for taxes as of March 1, 2018. This rate is based on an estimated total valuation of property for the purpose of taxation of \$1,787,226,986 and estimated collection rate of 98.01%.

A tax rate is also levied of twenty-eight cents (\$0.28) per one hundred dollars (\$100) valuation of property as listed for taxes as of March 1, 2018, for the Main Street Municipal Service District formed upon a petition of some of the property owners, established for the purpose of infrastructure improvements and special events in the district. This rate is based on an estimated total valuation of property for the purpose of taxation of \$86,256,402 and an estimated collection rate of 98.01%.

A tax rate is also levied of twelve cents (\$0.12) per one hundred dollars (\$100) valuation of property as listed for taxes as of March 1, 2018, for the Seventh Avenue Municipal Service District formed upon a petition of some of the property owners, established for the purpose of infrastructure improvements and special events in the district. The rate is based on an estimated total valuation of property for the purpose of taxation of \$16,386,965 and an estimated collection rate of 98.01%.

There is hereby adopted an official *Fee Schedule* listing specific fees, licenses, and utility rates charged by the City of Hendersonville for the use of City facilities and equipment for the purposes of making them available to public, specific utility rates the proceeds of which are for the maintenance and expansion of its utility systems, the reproduction of public records and other miscellaneous services to cover the actual cost of producing these documents and information under the provision of NCGS §132-6.2, and other various fees associated with enhanced direct services provided by the City.

The Fee Schedule is incorporated by reference and placed on file in the Office of the City Clerk.

SECTION 6: That the capital items identified on the following schedule and forecasted for acquisition over the upcoming five-year period be adopted as the official Capital Improvement Plan of the City of Hendersonville.

The *Capital Improvement Plan* is incorporated by reference and placed on file in the office of the City Clerk.



SECTION 7: The City's Position Allocation to Salary Range which provides all jobs and associated pay bands be adopted as the official Pay and Classification Schedule of the City of Hendersonville.

The *Pay and Classification Schedule* is incorporated by reference and placed on file in the office of the City Clerk.

SECTION 9: This ordinance shall become effective on and after July 1, 2018.

SECTION 10: That all ordinances and parts of ordinances in conflict herewith be and the same hereby repealed.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



Ordinance # _____

CAPITAL RESERVE FUND ORDINANCE

**AN ORDINANCE SETTING CAPITAL RESERVE GUIDELINES FOR
THE CITY OF HENDERSONVILLE, NORTH CAROLINA
FOR THE YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019**

WHEREAS, under North Carolina General Statute 159-18 the City of Hendersonville is authorized to establish and maintain a capital reserve for any purposes for which bonds may be issued; and

WHEREAS, the City Council deems it is in the best interest of the citizens of Hendersonville to establish a capital reserve to fund future capital improvements; and

WHEREAS, the capital reserve fund will be used in conjunction with a multi-year capital improvement program to be reviewed annually during the budget process;

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

SECTION 1 BUDGET: That the following Capital Reserve Fund (CRF) budget, purpose, anticipated revenues, and project appropriations are hereby adopted for the operation of the City of Hendersonville and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Fiscal Year 2018-19

Capital Reserve Fund Revenues

Transfer from Water and Sewer Fund	\$	100,000
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Capital Reserve Fund Expenditures

Miscellaneous Expense	\$	100,000
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Total Fund Balance	\$	-
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SECTION 2 PURPOSE: That the purpose of the City of Hendersonville CRF will be to (1) raise funds for future economic development capital projects, (2) provide greater levels of transparency and flexibility in raising and expending funds on capital projects, (3) delineate the timeframe for which revenues will be raised for and expended on capital projects, (4) display the amounts of revenues and expenditures for capital projects funded through the CRF, and (5) detail revenue sources of the fund.

This Capital Reserve Fund Ordinance will, more specifically, be established alongside the City’s Budget Ordinance to begin saving for Water and Sewer Fund related economic development projects. The City has recognized the need to fund economic development projects and desires to fund such projects through a CRF to enhance transparency and accountability.

SECTION 3 TIMEFRAME: That revenues for Water and Sewer Fund related capital projects will be raised over a period of five (5) fiscal years- from July 1, 2018 to June 30, 2023.



SECTION 4 AMOUNTS ACCUMULATED: That each fiscal year, the City will transfer \$100,000 from the Water and Sewer Fund (Fund 60) to the Capital Reserve Fund (Fund 66). The City will save \$500,000 of revenue in the CRF for future economic development projects. The City anticipates to expend \$500,000 on economic development projects.

SECTION 5 REVENUE SOURCES: That the revenue source planned for the CRF is the Water and Sewer Fund. Each year delineated, the City will transfer \$100,000 from the Water and Sewer Fund to the CRF.

Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



Resolution # _____

RESOLUTION OF INTENT**A RESOLUTION TO CONSIDER AND ADOPT THE RECOMMENDED CAPITAL IMPROVEMENT PLAN (CIP) AND WATER/SEWER RATE STUDY FOR THE CITY OF HENDERSONVILLE, NORTH CAROLINA FOR THE FISCAL YEAR 2018-19 THROUGH THE FISCAL YEAR 2022-23**

WHEREAS, the City of Hendersonville recognizes that a Capital Improvement Plan (CIP) enables staff and the Board to plan for a vibrant community; and

WHEREAS, the CIP is a 10-year planning tool designed to help the City plan for the repair, replacement, and acquisition of capital items; to assist in financial planning; to ensure better coordination and evaluation of projects; to provide necessary lead time for project planning, permitting, and design; and to maintain or improve the City's credit rating and fiscal health; and

WHEREAS, the recommended FY18-19 through FY22-23 CIP updates preceding budgets and CIPs of prior fiscal years; and

WHEREAS, this plan is updated annually for Board review; and

WHEREAS, the Board authorizes staff to reallocate undesignated or unused funds within the CIP and Capital Reserve Fund to support other projects that may come about in the course of this timeframe; and

WHEREAS, this flexibility in the planning and implementation of capital needs makes the City's CIP responsive to the changing needs of its community; and

WHEREAS, the Board intends to follow the recommendations of the water and sewer rate study as to provide adequate funding for the projects identified in the CIP while maintaining a strong financially sustainable fiscal position; and

WHEREAS, the Board intends to generate revenues through the County-wide real property revaluation, effective FY19-20, to provide funding for the debt service payments on General Fund projects: 7th Avenue Streetscape Project, Phase I (\$1,400,000); Capital Equipment Loan (\$615,000); Police Headquarters Project (\$8,000,000), and Public Works – Maintenance Facility Project (\$1,500,000); and

WHEREAS, this CIP will provide a vibrant future for our community and is intended to further the vision and mission of the City.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that the City of Hendersonville City Council has received and adopts the recommended Capital Improvement Plan (CIP) in conjunction with the annual City Budget for Fiscal Year 2018-2019.



Passed and adopted at the regular meeting of the City Council of the City of Hendersonville, North Carolina, held this 7th day of June, 2018.

ATTEST:

Barbara Volk, Mayor, City of Hendersonville

Tammie K. Drake, MMC, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
ADMINISTRATION		
Application for Certificate of Public Convenience & Necessity (taxicab)	\$60.00	
CDs	\$1.00	
Copy Charges (per page)		
Black	\$0.15	
Color	\$0.25	
Special Event Vendors: (per day)		
Food Vendors	\$30.00	
Non-Food Vendors	\$15.00	
DEVELOPMENT ASSISTANCE		
Administrative Review	No Charge	
Annexation Waiver, Voluntary (contiguous or satellite)	\$26.00	
Comprehensive Plan (per page)		
Black	\$0.15	
Color	\$0.25	
Conditional Use	\$200.00	
Copy Charges (per page)		
Black	\$0.15	
Color	\$0.25	
Large Format Copy	\$10.00	
Demolition Admin Fee	\$100.00	
Floodplain Development Permit	\$300.00	
Non-Conforming Use	\$100.00	
Nuisance Fee (Admin. Cost Doubles for each Offense within a Year)	Cost + \$100 Admin. Cost	
Outdoor Dining Fee (Annual)	\$0.50 per Sq. Ft.	
Sign Permits (based on cost of sign)		
Minimum	\$40.00	
\$1,000	\$45.00	
\$2,000	\$50.00	
\$3,000	\$55.00	
\$4,000	\$60.00	
\$5,000	\$65.00	
\$6,000	\$70.00	
\$7,000	\$75.00	
\$8,000	\$80.00	
\$9,000	\$85.00	
\$10,000	\$90.00	
Over \$10,000	\$40.00 per \$1000 over \$10,000	
Site Plan Reviews & Amendments		
Commercial, Industrial or Institutional		
5,000 - 19,999 square feet in floor area	\$300.00	
20,000 - 50,000 square feet in floor area	\$450.00	
Minor Planned Residential Developments		
3 - 10 dwellings	\$300.00	
11 - 50 dwellings	\$450.00	
Conditional Use Reviews & Amendments	\$100/acre (\$500 minimum)	
Street Closing Petition (\$1,000 deposit)	Actual Cost	
Subdivision Ordinance (per page)	\$0.15	
Subdivision Plats	\$20/lot	
Telecommunications Towers, Antennas and Equipment		
Basic Permit (C-3, I-1)	\$450.00	
Special Use Permit	\$2500.00 ¹	
Temporary Use Permit	\$60.00	
Traffic Impact Analysis Study	\$1,000.00	
Variance	\$75.00	
Zoning Map	\$5.00	
Zoning Ordinance (per page)	\$0.15	
Zoning Ordinance Map Amendment (Legislative Rezoning)		
Commercial or Industrial	\$275.00	
Residential < 3 acres	\$175.00	
Residential > 3 acres	\$225.00	
Zoning Ordinance Text Amendments	\$175.00	
Zoning Permit	\$50.00	

¹Applicable only to applications required to meet the additional standards contained in Section 16-4-23.4.
 Fees for towers proposed for siting in PCD or PID district are included in the fee for conditional use review.



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
FIRE DEPARTMENT		
Operational Permits		
ABC License Fee	\$50.00	
Amusement Buildings	\$50.00	
Carnival and Fairs	\$50.00	
Covered Mall Buildings	\$50.00	
Exhibits and trade shows (per event)	\$50.00	
Explosives	\$100.00	
Fire Hydrants and Valves	\$50.00	
Flammable and Combustible Liquids	\$100.00	
Fumigation and thermal insecticide fogging	\$100.00	
Private Hydrants	\$50.00	
Pyrotechnic special effects material	\$100.00	
Spraying and Dipping	\$100.00	
Temporary membrane structures, tents, and canopies (excludes special events)	\$50.00	
Construction Permits		
Automatic fire extinguishing systems	\$100.00	
Compressed gas	\$100.00	
Fire alarm and detection systems and related equipment	\$100.00	
Fire pumps and related equipment	\$100.00	
Flammable and Combustible liquids	\$100.00	
Hazardous Materials	\$100.00	
Industrial Ovens	\$100.00	
LP Gas	\$100.00	
Private fire hydrant	\$100.00	
Spraying and Dipping	\$100.00	
Standpipe systems	\$100.00	
Temporary membrane structures, tents, canopies (Fee per site) (excludes special events)	\$50.00	
General Fees		
Illegal Burn Fee	\$100.00	
Construction Plans Review		
Commercial hood suppression systems	\$100.00	
Explosives and fireworks	\$100.00	
Petroleum tanks and appurtenances	\$100.00	
Sprinkler systems and fire alarm systems:		
Minimum up to 1,000 square feet	\$50.00	
1,001 - 5,000 square feet	\$100.00	
5,001 - 10,000 square feet	\$150.00	
10,001 - 25,000 square feet	\$200.00	
25,001 - 50,000 square feet	\$250.00	
50,001 - 100,000 square feet	\$300.00	
100,001 - 200,000 square feet	\$350.00	
Over 200,000 square feet	\$400.00	
Work without a permit	\$250.00	
Fire Inspection Fees		
Minimum up to 1,000 square feet	\$50.00	
1,001 - 5,000 square feet	\$100.00	
5,001 - 10,000 square feet	\$150.00	
10,001 - 25,000 square feet	\$200.00	
25,001 - 50,000 square feet	\$250.00	
50,001 - 100,000 square feet	\$300.00	
100,001 - 200,000 square feet	\$350.00	
Over 200,000 square feet	\$400.00	
R-2 Occupancies (Apartment Complexes, etc...)		
1-20 Units	\$50.00	
21-50 Units	\$100.00	
51-100 Units	\$150.00	
101-150 Units	\$200.00	
151-200 Units	\$250.00	
201-250 Units	\$300.00	
251-300 Units	\$350.00	
Over 300 Units	\$400.00	
Re-inspections		
Re-inspection Fee (Follow-up) per re-inspection	\$100.00	
Hazardous Material Response Fees		
Engine Company Response - per engine (per hr.)	\$150.00	
Ladder/Truck Response - per ladder/truck (per hr.)	\$200.00	
Chief Officer - per officer (per hr.)	\$75.00	
Fire Marshal/Deputy Fire Marshal - per person (per hr.)	\$50.00	
Materials/Supplies Used	Actual replacement cost	
Off Duty/Call Back Personnel	Average hourly rate x 1.5	
Site Assessment Fee	\$50.00	



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
FINANCE		
Beer License - On Premises	\$15.00	
Beer License - Off Premises	\$5.00	
Carnival Permit	\$100/week + \$5 per device	
Credit Card Processing Fee (per transaction) for Tax Payments	\$2.95	\$2.95
Returned item fee	\$25.00	
Itinerant Merchant/Peddlers Permit	\$100.00	
Motor Vehicle Tag Fee	\$15.00	\$0.00
Wholesale Dealers License - Beer Only	\$37.50	
Wholesale Dealers License - Wine Only	\$37.50	
Wholesale Dealers License - Beer & Wine	\$62.50	
Wine License - On Premises	\$15.00	
Wine License - Off Premises	\$10.00	

**In accordance with G.S. 105-113.77 and G.S. 105-113.79 If a business has multiple locations in one county or city, that business will need to obtain separate ABC licenses for each location. City beer and wine taxes must increase by 10% for each additional license of the same type issued to the same taxpayer for use at a separate location. Furthermore, G.S. 105-236 applies penalties for failure to pay for and obtain local beer and wine license taxes. Operating a business without the required privilege license triggers a monthly penalty of 5% of the applicable privilege license tax, up to a total of 25%. Failure to pay the required tax triggers a separate 10% penalty. These violations are also Class 1 misdemeanors.*

POLICE		
Fingerprinting	\$10.00	
Precious Metals Dealer Background Check	\$75.00	
Precious Metals Dealer Permit	\$180.00	
Parking Fees, Fines & Penalties:		
All Other Parking Violations C.O. 50	\$25.00	
Construction parking permit (per day)	\$5.00	
Crosswalk	\$25.00	
Fire Lane	\$100.00	
Fire Hydrant	\$100.00	
Habitual Offender (3 Tickets or more in 30 days)	\$100.00	
Handicapped	\$250.00	
Limited Zone (Same Block Parking)	\$50.00	
Loading Zone/15 minute parking	\$25.00	
Monthly Parking Space - G Permit Interior	\$40.00	
Monthly Parking Space - G Permit Exterior	\$30.00	
Monthly Parking Space - R Permit Interior	\$30.00	
Monthly Parking Space - R Permit Exterior	\$20.00	
Monthly Parking Space - S Permit Interior	\$20.00	
Monthly Parking Space - S Permit Exterior	\$10.00	
Overtime/Expired meter	\$25.00	
Parking meter (per 1/2 hour)	\$0.50	
Penalty after 15 days	\$25.00	
Penalty after 30 days additional	\$50.00	
Subsequent overtime	\$50 + Doubles each O/T	

PUBLIC WORKS		
Boyd Park Mini-Golf Admission		
Adults	\$3.00	
Children	\$2.00	
Course Rental (full day - with concessions)	\$200.00	
Course Rental (full day - without concessions)	\$300.00	
Miscellaneous		
Backhoe (per hour)	\$80.00	
Building Maintenance Fees (per hour)	\$45.00	
Bush Hogs/Tractor Mowing (per hour)	\$80.00	
Electrical Usage for Special Events - 20 Amps or Less	\$25/per day	
Electrical Usage for Special Events - 21 Amps - 50 Amps	\$50/per day	
Electrical Usage for Special Events - over 50 Amps	\$100/per day	
Encroachment Permit Fee	\$10.00	
Fleet Maintenance Fees (per hour)	\$45.00	
Gas Utility Cuts (per 5' X 5' cut)	\$300.00	
Sidearm Mower Rental (per hour)	\$125.00	
Water/Flusher Truck (per load)	\$100.00	
Water/Sewer Utility Cuts	\$300.00	
Weed Eater/Hedge Trimmer (per hour)	\$40.00	
Oakdale Cemetery Lots (per grave space)		
City Resident	\$500.00	
Out of City Resident	\$1,000.00	
Infant Lots - City Resident	\$250.00	
Infant Lots - Out of City Resident	\$500.00	



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
PUBLIC WORKS		
Operation Center Room Rental Rates		
Large Assembly Room (8 a.m. - 5 p.m.)	\$50.00	
Large Assembly Room (5 p.m. - 10 p.m.)	\$25.00	
Small Assembly Room (8 a.m. - 5 p.m.)	\$10.00	
Small Assembly Room (5 p.m. - 10 p.m.)	\$5.00	
Park Usage		
Berkeley Park - Large Pavilion (May through September)	\$50/half day	
Berkeley Park - Field Usage for Organized Groups (per player per season)	\$20.00	
Patton Park - Small Pavilion	\$25/half day	
Patton Park - Large Pavilion (May through September)	\$50/half day	
Patton Park - Field Usage for Organized Groups (per player per season)	\$10.00	
Patton Pool		
Daily Admittance Fee (adults)	\$5.00	
Daily Admittance Fee (children) (3yrs or younger will be free with adult)	\$4.00	
Daily Admittance Fee (non-swimmer)	\$2.00	\$2.00
Lap Swim	\$4.00	
Punch Pass - Adult - City Resident (15 admissions)	\$38.00	
Punch Pass - Adult - Non City Resident (15 admissions)	\$60.00	
Punch Pass - Youth - City Resident (15 admissions)	\$30.00	
Punch Pass - Youth - Non City Resident (15 admissions)	\$45.00	
Season Pass - Family - City Resident	\$150.00	
Season Pass - Family - Non City Resident	\$300.00	
Season Pass - Individual Adult - City Resident	\$75.00	
Season Pass - Individual Adult - Non City Resident	\$150.00	
Season Pass - Individual Senior - City Resident	\$60.00	
Season Pass - Individual Senior - Non City Resident	\$120.00	
Season Pass - Individual Youth - City Resident	\$60.00	
Season Pass - Individual Youth - Non City Resident	\$120.00	
Sanitation Services		
<i>Commercial Services</i>		
Commercial Recycling Collection (up to four 65 gallon carts emptied once per week)	\$12.00	
Commercial Recycling Collection (up to four 65 gallon carts emptied twice per week)	\$22.00	
Commercial-Business refuse pickup per can (96-gal)	\$27.50	
Commercial-Business refuse pickup per can (96-gal) (Actively Recycles)	\$24.00	
<i>Residential Services</i>		
Residential - 96-gal container (non recycler)	\$22.00	
Residential - 96-gal container (actively recycles)	\$18.50	
Residential - 32-gal container (non recycler)	\$20.00	
Residential - 32-gal container (actively recycles)	\$16.25	
Small Special load (collected with pickup truck and city staff)	\$50.00	
Special Loads (tipping fee added to special fee) (collected with knuckleboom using city staff)	\$150.00	
Stolen/Damaged Cart Replacement Fee	\$100.00	
Stormwater Services		
Stormwater Monthly Fee	\$3.00	\$2.00
Stormwater Permit Fee	\$520.00	\$500.00



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
Water Rate Schedule		
De posits		
Water & Sewer Service Deposit ¹	\$100.00	
<i>Inside City Limits</i>		
Base Charge by Meter Size		
3/4"	\$5.68	
1"	\$6.73	
1 1/2"	\$9.34	
2"	\$12.47	
3"	\$19.80	
4"	\$30.26	
6"	\$56.40	
8"	\$87.77	
Volumetric Charges		
Residential		
0 to 6,000 gallons	\$2.85 per 1000 gallons	
6,000 to 14,000 gallons	\$3.14 per 1000 gallons	
14,000 gallons and greater	\$3.56 per 1000 gallons	
Commercial/Industrial		
0 to 40,000 gallons	\$2.85 per 1000 gallons	
40,000 to 200,000 gallons	\$2.35 per 1000 gallons	
200,000 gallons and greater	\$2.22 per 1000 gallons	
Irrigation		
0 to 40,000 gallons	\$3.56 per 1000 gallons	
40,000 gallons and greater	\$3.56 per 1000 gallons	
<i>Outside City Limits</i>		
Base Charge by Meter Size		
3/4"	\$8.52	
1"	\$10.09	
1 1/2"	\$14.00	
2"	\$18.71	
3"	\$29.70	
4"	\$45.39	
6"	\$84.59	
8"	\$131.66	
Volumetric Charges		
Residential		
0 to 6,000 gallons	\$4.28 per 1000 gallons	
6,000 to 14,000 gallons	\$4.70 per 1000 gallons	
14,000 gallons and greater	\$5.34 per 1000 gallons	
Commercial/Industrial		
0 to 40,000 gallons	\$4.28 per 1000 gallons	
40,000 to 200,000 gallons	\$3.52 per 1000 gallons	
200,000 gallons and greater	\$3.33 per 1000 gallons	
Irrigation		
0 to 40,000 gallons	\$5.34 per 1000 gallons	
40,000 gallons and greater	\$5.34 per 1000 gallons	
<i>Wholesale</i>		
Base Charge by Meter Size		
3/4"	\$8.52	
1"	\$10.09	
1 1/2"	\$14.00	
2"	\$18.71	
3"	\$29.70	
4"	\$45.39	
6"	\$84.59	
8"	\$131.66	
Volumetric Charges		
All Usage	\$2.85 per 1000 gallons	
Bulk Water	\$5.35 per 1000 gallons	
<i>Other Customers</i>		
Public Schools		
Base Charge per Account	\$5.68 per month	
All Usage	\$2.85 per 1000 gallons	

See RateStudy Recommendations



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019

PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
<i>Water Fee Schedule</i>		
Taps & Connections		
Water Tap, 5/8"	\$1,000.00	
Water Tap, 1"	\$1,400.00	
Water Taps > 1"	Cost plus 10%	
Water - Stub Out	\$600.00	
Irrigation Tee, 5/8"	\$600.00	
Meters		
Turn On/Off/Set Meter During Business Hours	\$40.00	
Turn On/Off/Set Meter After Business Hours	\$100.00	
Meter Tampering Fee	\$250.00	
Test Meter, at customer's request (<1-in.); if meter faulty - No Charge	\$45.00	
Test Meter, at customer's request (>1-in.); if meter faulty - No Charge	Cost plus 10%	
Engineering Review Fees		
Line Extensions	\$300.00	
Pump Stations	\$75.00	
Storage Tanks	\$75.00	
Miscellaneous Fees		
Assist with Fire Hydrant Flow/Pressure Testing Conducted by Others	\$50.00	
Chemical Analysis of Water	Cost plus 10%	
Credit Card Processing Fee	\$2.95	\$2.95
Drill for Main Tap, Cost/Inch of Diameter	\$150.00	
Fire Hydrant Installation	Cost plus 10%	
Illegal Use of Fire Hydrant/Tampering Fee	\$500 + Damages	
Premise Visit	\$40.00	
Reconnection of Service at Main	Cost plus 10%	
Replace Removed Meter due to additional usage after non-payment cut-off		
During Business Hours	\$75.00	
After Business Hours	\$100.00	
Water Conservation Incentives Program Rebate Schedule		
Clothes Washer (\$75 min; \$150 max) - Limit one per account	15% of purchase price	
High-Efficiency Toilet (\$25 min; \$100 max) - Limit 2 per residential account	15% of purchase price	
Customer-Side Shut-Off Valve - Limit one per account	\$75.00	
Weather-Based Irrigation System Controller - Limit one per account	**50% of purchase price or \$200, whichever is less	
<i>Limited number of rebates offered annually.</i>		



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year	
WATER AND SEWER			
Sewer Rate Schedule			
<i>Inside City Limits</i>			
Base Charge by Meter Size			
3/4"	\$7.21	See RateStudy Recommendations	
1"	\$8.66		
1 1/2"	\$12.25		
2"	\$16.56		
3"	\$26.65		
4"	\$41.06		
6"	\$77.04		
8"	\$120.24		
Volumetric Charges			
All Usage	\$5.05 per 1000 gallons		
<i>Outside City Limits</i>			
Base Charge by Meter Size			
3/4"	\$10.82		
1"	\$12.99		
1 1/2"	\$18.37		
2"	\$24.84		
3"	\$39.97		
4"	\$61.58		
6"	\$115.56		
8"	\$180.35		
Volumetric Charges			
All Usage	\$7.58 per 1000 gallons		
<i>Wholesale</i>			
Base Charge by Meter Size			
3/4"	\$10.82		
1"	\$12.99		
1 1/2"	\$18.37		
2"	\$24.84		
3"	\$39.97		
4"	\$61.58		
6"	\$115.56		
8"	\$180.35		
Volumetric Charges			
All Usage	\$7.58 per 1000 gallons		
<i>Other Customers</i>			
Public Schools			
Base Charge per Account	\$7.21		
All Usage	\$5.05 per 1000 gallons		
Internal Sewer			
Base Charge per Account	See Wholesale Charges		
All Usage	\$7.58 per 1000 gallons		
Henderson County Sewer			
Base Charge per Account	See Wholesale Charges		
All Usage	\$7.58 per 1000 gallons		

Note: These sewer rates are not applicable to the Cane Creek Sanitary Sewer District



CITY OF HENDERSONVILLE FEE SCHEDULE
ADOPTED BY BUDGET ORDINANCE FOR FISCAL YEAR 2018 - 2019
 PUBLIC HEARING REQUIRED FOR ITEMS DENOTED WITH ASTERIK

DESCRIPTION	COST/CHARGE/FEE	Prior Year
WATER AND SEWER		
Sewer Fee Schedule		
Taps and Connections		
Sewer Taps, 4" gravity sewer tap	\$1,500.00	
Fee per 6" gravity sewer tap	\$1,800.00	
Fee per 8" gravity sewer tap	\$2,000.00	
Surcharges		
BOD (biochemical oxygen demand), per lb. in excess of 250-mg/l	\$0.25	
TSR (total suspended residue), per lb. in excess of 250-mg/l	\$0.15	
Ammonia nitrogen, per lb. in excess of 30-mg/l	\$1.50	
Engineering Review Fees		
Line Extensions	\$300.00	
Pump Stations	\$75.00	
Miscellaneous Fees		
Concrete Core Drill (manhole), Cost/Inch of Diameter	\$150.00	
Drill for Main Tap, Cost/Inch of Diameter	\$100.00	
Food Services Sewer Connection Application Fee	\$75.00	
Nondischarge Permit Fee	\$300.00	
Premise Visit	\$40.00	
Pretreatment Program	Cost of Program Per SIU	
Septic Tank Waste Disposal, per 1000-gallons	\$60.00	
Septic Tank Waste Disposal Permit	\$75.00	
Equipment Usage (hourly rates)		
Rubber-Tired Backhoe, Small	\$33.00	
Rubber-Tired Backhoe, Large	\$38.00	
Mini-Excavator, 8,000-lb	\$18.00	
Mini-Excavator, 12,000-lb	\$39.00	
Excavator, 30,000-lb	\$65.00	
Vac Truck	\$75.00	
Dump Truck (single-axle), Small	\$20.00	
Dump Truck (single-axle), Large	\$35.00	
<u>Dump Truck (dual axle)</u>	<u>\$55.00</u>	\$0.00
Dump Truck (triaxle)	\$65.00	
Pick-Up Truck	\$14.00	
Harben	\$25.00	
Camera Truck	\$75.00	
Air Compressor	\$20.00	
Air Hammer/Pusher	\$0.65	
Soil Tamp	\$20.00	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
Environmental Services		Leaf Machine Replacement	90,000	30,000	-	-	30,000	-	-	30,000	-	-	-	-	ESF Cash
		Replace Equip# 16-01 (2006 Chevy 1500)	35,000	35,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Route Software	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
	2019 Total		155,000	95,000	-	-	30,000	-	-	30,000	-	-	-	-	
		Replace Equip# 52-02 (2011 CNG Sweeper)	250,000	-	250,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		600,000	-	200,000	-	200,000	-	200,000	-	-	-	-	-	ESF Cash
Environmental Services		Replace 22-16(2013 Bnsh Truck)	850,000	-	450,000	-	200,000	-	200,000	-	-	-	-	-	
	2021 Total		130,000	-	-	130,000	-	-	-	-	-	-	-	-	GF Cash
Environmental Services Total			1,135,000	95,000	450,000	130,000	230,000	-	200,000	30,000	-	-	-	-	
Fire		Life Safety Trailer w/Lettering	7,500	7,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Chevy Astro Van	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Fire Department Nozzles and Hose	30,000	30,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Multi Gas Monitors (Year 2 of 2) - Recurring every 4 years	28,000	8,000	-	-	-	-	10,000	10,000	-	-	-	-	GF Cash
	2019 Total		95,500	75,500	-	-	-	-	10,000	10,000	-	-	-	-	
		Renovation of Fire Station 1	1,125,000	-	1,125,000	-	-	-	-	-	-	-	-	-	Loan
		Replace Extrication Equipment (Over 3 Years)	60,000	-	15,000	15,000	30,000	-	-	-	-	-	-	-	GF Cash
		Replace Fire Station 1 Pick-Up	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Tablet Replacement -- Recurring every 3 years	45,000	-	15,000	-	-	-	15,000	-	-	15,000	-	-	GF Cash
		Training/Logistics Vehicle	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		1,295,000	-	1,220,000	15,000	30,000	15,000	-	-	-	15,000	-	-	
		Fire Station 3	2,500,000	-	-	2,500,000	-	-	-	-	-	-	-	-	Loan
		Purchase a n additional Engine or Quint for Station 3	800,000	-	-	800,000	-	-	-	-	-	-	-	-	Loan
		Replace Deputy Chief Vehicle	50,000	-	-	50,000	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		3,350,000	-	-	3,350,000	-	-	-	-	-	-	-	-	
		Replacement of Ladder One.	1,500,000	-	-	-	1,500,000	-	-	-	-	-	-	-	Loan
		Thermal Imaging Camera Replacement (Over two years) -- Recurring every 5 years	90,000	-	-	-	30,000	15,000	-	-	-	-	30,000	15,000	GF Cash
	2022 Total		1,590,000	-	-	-	1,530,000	15,000	-	-	-	-	30,000	15,000	
		Fire & Life Safety Educator Vehicle	35,000	-	-	-	-	-	35,000	-	-	-	-	-	GF Cash
		Forcible Entry Prop	8,500	-	-	-	-	-	8,500	-	-	-	-	-	GF Cash
		Kubota RTU 900 w/ Trailer	27,500	-	-	-	-	-	27,500	-	-	-	-	-	GF Cash
		Replace Engine 3 (Engine 1 will go into Reserve)	800,000	-	-	-	-	-	800,000	-	-	-	-	-	Loan
	2023 Total		871,000	-	-	-	-	-	871,000	-	-	-	-	-	
		Commission on Fire Accreditation International -- Applicant Agency	16,250	-	-	-	-	-	-	6,250	-	10,000	-	-	GF Cash
		Fire Department Training Facility	20,000	-	-	-	-	-	-	20,000	-	-	-	-	Loan
		Replace Station Lawnmowers (Over 2 Years)	15,000	-	-	-	-	-	-	7,500	7,500	-	-	-	GF Cash
		Replacement of Self-Contained Breathing Apparatus	300,000	-	-	-	-	-	-	300,000	-	-	-	-	Loan
2024 Total		351,250	-	-	-	-	-	-	333,750	7,500	10,000	-	-		
	Fire Department Training Facility	200,000	-	-	-	-	-	-	-	200,000	-	-	-	Loan	
	Replace AED's	60,000	-	-	-	-	-	-	-	60,000	-	-	-	GF Cash	
	Replace Assistant Fire Marshal Vehicle	40,000	-	-	-	-	-	-	-	40,000	-	-	-	GF Cash	
	Replace Station 1 Breathing Air Compressor	85,000	-	-	-	-	-	-	-	85,000	-	-	-	GF Cash	
2025 Total		385,000	-	-	-	-	-	-	-	385,000	-	-	-		
	Purchase a Service/Rescue Company for Station 1	800,000	-	-	-	-	-	-	-	-	800,000	-	-	Loan	
	Replace Fire Chief Vehicle	50,000	-	-	-	-	-	-	-	-	50,000	-	-	GF Cash	
	Vehicle Stabilization Struts	15,000	-	-	-	-	-	-	-	-	15,000	-	-	GF Cash	
2026 Total		865,000	-	-	-	-	-	-	-	-	865,000	-	-		
	Replace Engine 4 (Engine 2 will go into Reserve)	800,000	-	-	-	-	-	-	-	-	-	800,000	-	Loan	
	Replace Exercise Equipment	25,000	-	-	-	-	-	-	-	-	-	25,000	-	GF Cash	
	Replace Fire Inspector Vehicle	30,000	-	-	-	-	-	-	-	-	-	30,000	-	GF Cash	
2027 Total		855,000	-	-	-	-	-	-	-	-	-	855,000	-		
	Replace Fire Marshal Vehicle	45,000	-	-	-	-	-	-	-	-	-	-	45,000	GF Cash	
2028 Total		45,000	-	-	-	-	-	-	-	-	-	-	45,000		
Fire Total			9,702,750	75,500	1,220,000	3,365,000	1,560,000	911,000	343,750	392,500	890,000	885,000	60,000	-	
Police		Laptop Replacements	61,000	17,000	-	-	-	-	22,000	-	-	-	-	-	GF Cash
		Police Headquarters Project	8,000,000	8,000,000	-	-	-	-	-	-	-	-	-	-	Loan
		SRO Vehicle 1	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		SRO Vehicle 2	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		SRO Vehicle 3	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Surveillance Cameras	15,000	15,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-03	48,500	48,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-33	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-43	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-34	46,500	46,500	-	-	-	-	-	-	-	-	-	-	GF Cash
	2019 Total		8,403,500	8,359,500	-	-	-	-	-	22,000	22,000	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		Livescan	18,000	-	10,000	-	-	-	-	-	-	-	8,000	-	GF Cash
		Vehicle Replacement 01-45	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-46	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-49	46,500	-	46,500	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-10	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-17	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-18	48,500	-	48,500	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		286,000	-	278,000	-	-	-	-	-	-	-	8,000	-	
		Vehicle Replacement 01-09	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-12	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-41	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-42	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-09	40,000	-	-	40,000	-	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 15-19	46,500	-	-	46,500	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		246,500	-	-	246,500	-	-	-	-	-	-	-	-	
		Domain Server Replacement	10,000	-	-	-	10,000	-	-	-	-	-	-	-	GF Cash
		Netmon Server Replacement	10,000	-	-	-	10,000	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-14	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-16	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-17	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-18	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-35	46,500	-	-	-	46,500	-	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 14-39	40,000	-	-	-	40,000	-	-	-	-	-	-	-	GF Cash
	2022 Total		292,500	-	-	-	292,500	-	-	-	-	-	-	-	
		Vehicle Replacement 01-05	40,000	-	-	-	-	40,000	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-19	48,500	-	-	-	-	48,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-51	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-52	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
		Vehicle Replacement 01-53	46,500	-	-	-	-	46,500	-	-	-	-	-	-	GF Cash
	2023 Total		228,000	-	-	-	-	228,000	-	-	-	-	-	-	
		911 Computer Replacement (all 911 funds)	10,000	-	-	-	-	-	10,000	-	-	-	-	-	N/A
	2024 Total		10,000	-	-	-	-	-	10,000	-	-	-	-	-	
		911 Voice Logger (all 911 funds)	30,000	-	-	-	-	-	-	30,000	-	-	-	-	N/A
	2025 Total		30,000	-	-	-	-	-	-	30,000	-	-	-	-	
Police Total			9,496,500	8,359,500	278,000	246,500	292,500	228,000	32,000	52,000	-	-	8,000	-	
Public Works		7th Avenue Streetscape Improvements, Phase 1	1,400,000	1,400,000	-	-	-	-	-	-	-	-	-	-	Loan
		City Hall HVAC Replacement	70,000	70,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Diagnostic Equipment for Large Trucks	11,000	11,000	-	-	-	-	-	-	-	-	-	-	GF/WS Cash
		Equipment Trailer	7,000	7,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Flammable Storage Cabinets	5,000	5,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Floor Covering Repairs at City Ops	25,000	25,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Main Street Public Restrooms	825,000	825,000	-	-	-	-	-	-	-	-	-	-	Loan
		Mill Project Streetscape	700,000	700,000	-	-	-	-	-	-	-	-	-	-	Loan
		Motor Vehicle Replacements	357,500	55,000	55,000	-	27,500	55,000	-	27,500	55,000	-	27,500	55,000	GF Cash
		Patton Park Picnic Shed Re-roof	9,500	9,500	-	-	-	-	-	-	-	-	-	-	GF Cash
		PW-Maintenance Building	1,500,000	1,500,000	-	-	-	-	-	-	-	-	-	-	Loan
		Repair Patton Playground Structure	7,000	7,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Carpet at Mini-Golf	12,000	12,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Resurface Whimire Building Parking Lot and Install New Parking at Tom's Park	120,000	120,000	-	-	-	-	-	-	-	-	-	-	Loan
		Salt Spreaders	28,000	14,000	14,000	-	-	-	-	-	-	-	-	-	GF Cash
		Snow Bldes	20,000	10,000	10,000	-	-	-	-	-	-	-	-	-	GF Cash
		Street Dept. Walk Saw	6,000	6,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Sullivan Park Playground Improvements	25,000	25,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Traffic Signal Cabinet Replacements	136,000	17,000	17,000	-	17,000	17,000	-	17,000	17,000	-	17,000	17,000	GF Cash
		Two Post Vehicle Lift	9,000	9,000	-	-	-	-	-	-	-	-	-	-	GF Cash
		Wayfinding/Gateway Signage	36,000	12,000	12,000	12,000	-	-	-	-	-	-	-	-	GF Cash
		Whimire Building Floor Replacement	30,000	30,000	-	-	-	-	-	-	-	-	-	-	Loan
		Zero Turn Mower Replacement	154,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	GF Cash
	2019 Total		5,493,000	4,883,500	122,000	26,000	58,500	86,000	14,000	58,500	86,000	14,000	58,500	86,000	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		Air Compressor Replacement	18,000	-	18,000	-	-	-	-	-	-	-	-	-	GF Cash
		Asphalt Roller Replacement	65,000	-	65,000	-	-	-	-	-	-	-	-	-	GF Cash
		Berkeley outfield irrigation	20,000	-	20,000	-	-	-	-	-	-	-	-	-	GF Cash
		City Hall Roof Enclosure	390,000	-	390,000	-	-	-	-	-	-	-	-	-	GF Cash
		Expand Greenway Parking	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Forklift Replacement	11,000	-	11,000	-	-	-	-	-	-	-	-	-	GF Cash
		Gym Equipment for City Ops	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Hendersonville Gateway Park	110,000	-	110,000	-	-	-	-	-	-	-	-	-	GF Cash
		Install Ozonator	25,000	-	25,000	-	-	-	-	-	-	-	-	-	GF Cash
		Landscape Trailer Replacement	5,000	-	5,000	-	-	-	-	-	-	-	-	-	GF Cash
		Main Street Electrical Panel Upgrade	47,000	-	12,000	7,000	7,000	7,000	7,000	7,000	-	-	-	-	GF Cash
		Painting Contract for City Buildings	180,000	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	-	GF Cash
		Patton Ball Field Electrical Panel	10,000	-	10,000	-	-	-	-	-	-	-	-	-	GF Cash
		Patton Park Tennis Court Lights	36,000	-	36,000	-	-	-	-	-	-	-	-	-	GF Cash
		Patton Pool Electrical Panel Upgrade	6,000	-	6,000	-	-	-	-	-	-	-	-	-	GF Cash
		Pressure Washer for Wash Bay	5,000	-	5,000	-	-	-	-	-	-	-	-	-	GF Cash
		Purchase Hybrid Dump Trailer	7,000	-	7,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace A/C Service Machine	7,000	-	7,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Diving Board Stands	20,000	-	20,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 11-07 (2008 Service Van)	14,000	-	14,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 16-04 (2002 F250 Sign Truck)	40,000	-	40,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 17-11 (1995 Ford F350 Flat Bed)	45,000	-	45,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 44-02 (1997 New Holland Backhoe)	80,000	-	80,000	-	-	-	-	-	-	-	-	-	GF Cash
		Replace Mini-Excavator	55,000	-	55,000	-	-	-	-	-	-	-	-	-	GF Cash
		Scissor Lift	30,000	-	30,000	-	-	-	-	-	-	-	-	-	GF Cash
		Utility Vehicle Replacement	19,000	-	19,000	-	-	-	-	-	-	-	-	-	GF Cash
	2020 Total		1,310,000	-	1,115,000	27,000	27,000	27,000	27,000	27,000	20,000	20,000	20,000	-	
		Berkely Park Bathrooms	125,000	-	-	125,000	-	-	-	-	-	-	-	-	GF Cash
		Bucket Truck Replacement	150,000	-	-	150,000	-	-	-	-	-	-	-	-	GF Cash
		Conflict Monitor Tester	15,000	-	-	15,000	-	-	-	-	-	-	-	-	GF Cash
		Patton Park Pedestrian Bridge and Vehicular Bridge Replacement	70,000	-	-	70,000	-	-	-	-	-	-	-	-	GF Cash
		Replace# 18-05 (1994 Ford F700 Dump Truck)	90,000	-	-	90,000	-	-	-	-	-	-	-	-	GF Cash
		Replace 3 A/c Units at City Operations	35,000	-	-	35,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 11-01 (2007 Service Van)	14,000	-	-	14,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 17-16 (2006 F350 Service Body Truck)	60,000	-	-	60,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 18-01 (2000 F450 Dump Truck)	45,000	-	-	45,000	-	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 42-05 (2005 loader tractor)	45,000	-	-	45,000	-	-	-	-	-	-	-	-	GF Cash
		Re-Roof Whitmire Building	30,000	-	-	30,000	-	-	-	-	-	-	-	-	GF Cash
		Rotary Park Playground Equipment	15,000	-	-	15,000	-	-	-	-	-	-	-	-	GF Cash
	2021 Total		694,000	-	-	694,000	-	-	-	-	-	-	-	-	
		Columbarium at Oakdale Cemetery	18,000	-	-	-	18,000	-	-	-	-	-	-	-	GF Cash
		New A/C Machine for New Freon Requirements	8,000	-	-	-	8,000	-	-	-	-	-	-	-	GF Cash
		Redesign and Re-roof City Garage	100,000	-	-	-	100,000	-	-	-	-	-	-	-	GF Cash
		Remanite Pool	150,000	-	-	-	150,000	-	-	-	-	-	-	-	GF Cash
		Replace Equip# 22-05 (2007 Pothole Patcher)	200,000	-	-	-	200,000	-	-	-	-	-	-	-	GF Cash
		Splash Pad or Water Slide	400,000	-	-	-	400,000	-	-	-	-	-	-	-	GF Cash
	2022 Total		876,000	-	-	-	876,000	-	-	-	-	-	-	-	
		Southside Park Development	2,400,000	-	-	-	-	2,400,000	-	-	-	-	-	-	Loan
		West Lake Avenue Widening ROW	400,000	-	-	-	-	400,000	-	-	-	-	-	-	Loan
	2023 Total		2,800,000	-	-	-	-	2,800,000	-	-	-	-	-	-	
	Public Works Total		11,173,000	4,883,500	1,237,000	747,000	961,500	2,913,000	41,000	85,500	106,000	34,000	78,500	86,000	
	Stormwater	Hendersonville Elementary Runoff Improvements	30,000	30,000	-	-	-	-	-	-	-	-	-	-	SW Cash
	2019 Total		30,000	30,000	-	-	-	-	-	-	-	-	-	-	
	Stormwater Total		30,000	30,000	-	-	-	-	-	-	-	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
Water & Sewer		District Metering and Pump Station Metering	350,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-	-	-	-	WS Cash
		Etowah Water System Improvements	4,200,000	4,200,000	-	-	-	-	-	-	-	-	-	-	Loan
		Front-end Loader Replacement (50-01)	105,000	105,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Garden Lane Pump Station Upgrade/Deck	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Generators and ATS	316,000	158,000	158,000	-	-	-	-	-	-	-	-	-	WS Cash
		Motor Vehicle Replacement	2,140,000	140,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	WS Cash
		NCDOT Old Airport Road	700,000	700,000	-	-	-	-	-	-	-	-	-	-	Loan
		NCDOT Shepherd/Erkwood	300,000	300,000	-	-	-	-	-	-	-	-	-	-	Loan
		Northside (Fletcher Area) Water System Improvements	3,600,000	3,600,000	-	-	-	-	-	-	-	-	-	-	Loan
		Pump Station Metering and Weather Stations	150,000	50,000	50,000	50,000	-	-	-	-	-	-	-	-	WS Cash
		Replace Gutters on Metal Buildings at Ewart Hill	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Rubber-tired Backhoe Replacement (44-07)	75,000	75,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		SCADA Distribution Systems	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		SCADA System Servers	30,000	30,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		Streambank Restoration-SRF	2,336,000	2,336,000	-	-	-	-	-	-	-	-	-	-	Loan
		U.S. Highway 64 E / Highland Square Sanitary Sewer Improvements	146,000	146,000	-	-	-	-	-	-	-	-	-	-	WS Cash
		WTP Expansions, from 12-MGD to 15-MGD to 18-MGD	5,599,000	237,000	1,150,000	-	-	-	-	-	-	-	-	-	4,212,000
		WTP Pumps and Equipment Upgrade	2,574,000	2,574,000	-	-	-	-	-	-	-	-	-	-	Reserves
		WWTP Generator & ATS	912,500	912,500	-	-	-	-	-	-	-	-	-	-	Reserves
		WWTP Gravity Filter Replacement	2,300,000	2,300,000	-	-	-	-	-	-	-	-	-	-	Reserves
	WWTP Lawnmower	20,000	20,000	-	-	-	-	-	-	-	-	-	-	WS Cash	
	WWTP Upgrade SCADA Equipment and VFDS	300,000	300,000	-	-	-	-	-	-	-	-	-	-	WS Cash	
	2019 Total		26,243,500	18,323,500	1,608,000	300,000	250,000	250,000	250,000	250,000	200,000	200,000	200,000	4,412,000	
		Bradley Creek Dredging	200,000	-	100,000	100,000	-	-	-	-	-	-	-	-	WS Cash
		Eastside Transmission Main, Phase 2 and 3	5,100,000	-	5,100,000	-	-	-	-	-	-	-	-	-	Loan
		Equipment Shed and Parking Lot	200,000	-	200,000	-	-	-	-	-	-	-	-	-	WS Cash
		French Broad River Raw Water Intake and Pump Station, Phase 2	5,925,000	-	5,925,000	-	-	-	-	-	-	-	-	-	Loan
		Trench Roller/Compactor	67,500	-	67,500	-	-	-	-	-	-	-	-	-	WS Cash
		WTP Waterproofing & Basin Repair	300,000	-	300,000	-	-	-	-	-	-	-	-	-	Loan
		WWTP Sludge Drying System	4,100,000	-	4,100,000	-	-	-	-	-	-	-	-	-	Loan
	2020 Total		15,892,500	-	15,792,500	100,000	-	-	-	-	-	-	-	-	
		Air Compressor Replacements - Water	40,000	-	-	20,000	20,000	-	-	-	-	-	-	-	WS Cash
		Dump Truck Replacement (22-01)	80,000	-	-	80,000	-	-	-	-	-	-	-	-	WS Cash
		NCDOT Highland Lake Rd	100,000	-	-	100,000	-	-	-	-	-	-	-	-	Loan
	2021 Total		220,000	-	-	200,000	20,000	-	-	-	-	-	-	-	
		Brookwood Sewer Pump Station Replacement	350,000	-	-	-	350,000	-	-	-	-	-	-	-	WS Cash
		Equipment Trailer Replacements - Sewer	30,000	-	-	-	30,000	-	-	-	-	-	-	-	WS Cash
		Ewart Hill 5.0 MG Storage Reservoir Replacement	3,843,000	-	-	-	3,843,000	-	-	-	-	-	-	-	Loan
		NCDOT Kanuga	2,700,000	-	-	-	2,700,000	-	-	-	-	-	-	-	Loan
		Rubber-tired Backhoe Replacement (44-06)	75,000	-	-	-	75,000	-	-	-	-	-	-	-	WS Cash
		Shoring Box Replacement	30,000	-	-	-	30,000	-	-	-	-	-	-	-	WS Cash
	2022 Total		7,028,000	-	-	-	7,028,000	-	-	-	-	-	-	-	
		16-inch Transmission Water Main from WTP to Ewart Hill Slip Lining	3,881,000	-	-	-	-	3,881,000	-	-	-	-	-	-	Loan
		7th Ave Residential Sanitary Sewer and Water Improvements	906,000	-	-	-	-	906,000	-	-	-	-	-	-	Loan
		CCTV Generator Replacement	7,500	-	-	-	-	7,500	-	-	-	-	-	-	WS Cash
		Dump Truck 1-1/2 Ton Replacement (17-05)	80,000	-	-	-	-	80,000	-	-	-	-	-	-	WS Cash
		NCDOT Blythe	2,500,000	-	-	-	-	2,500,000	-	-	-	-	-	-	Loan
		NCDOT HWY 64	600,000	-	-	-	-	600,000	-	-	-	-	-	-	Loan
		NCDOT White St/ South Main	2,000,000	-	-	-	-	2,000,000	-	-	-	-	-	-	Loan
		Upward Road Water Main Upgrade	870,000	-	-	-	-	870,000	-	-	-	-	-	-	Loan
	2023 Total		10,844,500	-	-	-	-	10,844,500	-	-	-	-	-	-	
		Dana Rd. Water Main Extension	1,800,000	-	-	-	-	-	1,800,000	-	-	-	-	-	Loan
		Excavator, 6500-lb. - Replacement (44-08)	80,000	-	-	-	-	-	80,000	-	-	-	-	-	WS Cash
		Long John Mountain Interconnect, Pump Stations and Storage Tank	5,200,000	-	-	-	-	-	5,200,000	-	-	-	-	-	Loan
		NCDOT 191	11,000,000	-	-	-	-	-	11,000,000	-	-	-	-	-	Loan
		North Fork Raw Water Line Slip Lining	3,881,000	-	-	-	-	-	3,881,000	-	-	-	-	-	Loan
		Smokey Ridge Apts Sewer Pump Station	400,000	-	-	-	-	-	400,000	-	-	-	-	-	Loan
	2024 Total		22,361,000	-	-	-	-	-	22,361,000	-	-	-	-	-	



Capital Improvement Plan

Budget FY18-19

DEPARTMENT	FISCAL YEAR	TITLE	TOTAL COST	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28+	Funding Source
		All Terrain Vehicle	16,000	-	-	-	-	-	-	16,000	-	-	-	-	WS Cash
		Bradley Creek Raw Water Line Slip Lining	2,890,000	-	-	-	-	-	-	2,890,000	-	-	-	-	Loan
		Dump Truck Replacement (22-07)	80,000	-	-	-	-	-	-	80,000	-	-	-	-	WS Cash
		Dump Truck, Single-axle - Replacement (22-13)	80,000	-	-	-	-	-	-	80,000	-	-	-	-	WS Cash
		Sewer Vactor Truck Replacement (29-05)	754,000	-	-	-	-	-	-	754,000	-	-	-	-	Loan
	2025 Total		3,820,000	-	-	-	-	-	-	3,820,000	-	-	-	-	
		Dump Truck 1-1/2 Ton Replacement (17-21)	135,000	-	-	-	-	-	-	-	135,000	-	-	-	WS Cash
		Dump Truck Replacement Single-Axle (22-12)	90,000	-	-	-	-	-	-	-	90,000	-	-	-	WS Cash
		Dump Truck, Dual-Axle - Replacement (22-20)	150,000	-	-	-	-	-	-	-	150,000	-	-	-	WS Cash
		Dump Truck, Triaxle - Replacement (22-17)	150,000	-	-	-	-	-	-	-	150,000	-	-	-	WS Cash
		Excavator, 12,000-lb - Replacement (44-11)	75,000	-	-	-	-	-	-	-	75,000	-	-	-	WS Cash
		Excavator, 12,000-lb - Replacement (44-17)	75,000	-	-	-	-	-	-	-	75,000	-	-	-	WS Cash
		Excavator, 33,000-lb - Replacement (44-16)	136,000	-	-	-	-	-	-	-	136,000	-	-	-	WS Cash
		NCDOT I-26	1,000,000	-	-	-	-	-	-	-	1,000,000	-	-	-	Loan
		Skid Steer ROW Clearing Equipment (50-03)	69,000	-	-	-	-	-	-	-	69,000	-	-	-	WS Cash
		WWTP Expansion, 6.0 MGD	210,000	-	-	-	-	-	-	-	210,000	-	-	-	WS Cash
	2026 Total		2,090,000	-	-	-	-	-	-	-	2,090,000	-	-	-	
		AMI Metering Infrastructure Replacement	12,000,000	-	-	-	-	-	-	-	-	-	12,000,000	-	Loan
		CCTV Sewer Inspection Vehicle	400,000	-	-	-	-	-	-	-	-	-	400,000	-	WS Cash
		Mills River Raw Water Intake Relocation	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	-	Loan
		NCDOT Balfour Parkway	1,900,000	-	-	-	-	-	-	-	-	-	1,900,000	-	Loan
		WWTP EQ Basin	6,000,000	-	-	-	-	-	-	-	-	-	6,000,000	-	WS Cash
	2028 Total		21,300,000	-	-	-	-	-	-	-	-	-	21,300,000	-	
	2028+	1st Avenue W and Oak St Sanitary Sewer and Water Improvements	795,000	-	-	-	-	-	-	-	-	-	-	795,000	Loan
		Druid Hills Sanitary Sewer and Water Improvements	4,116,000	-	-	-	-	-	-	-	-	-	-	4,116,000	Loan
		Faingrounds Avenue (E- Flat Rock Area) - Repair and Replacement Project	1,645,000	-	-	-	-	-	-	-	-	-	-	1,645,000	Loan
		Florida Ave Water and Sewer Improvements	1,059,000	-	-	-	-	-	-	-	-	-	-	1,059,000	Loan
		Fruitland Rd. Water Main Extension	1,980,000	-	-	-	-	-	-	-	-	-	-	1,980,000	Loan
		Howard Gap Rd. Water Extension Mid	1,960,000	-	-	-	-	-	-	-	-	-	-	1,960,000	WS Cash
		Howard Gap Rd. Water Extension North End	1,200,000	-	-	-	-	-	-	-	-	-	-	1,200,000	Loan
		Mud Creek Interceptor Replacement, Phase 1	1,281,000	-	-	-	-	-	-	-	-	-	-	1,281,000	Loan
		Mud Creek Sewer Interceptor Replacement, Phase 2	850,000	-	-	-	-	-	-	-	-	-	-	850,000	Loan
		Mud Creek Sewer Interceptor Replacement, Phase 3	1,180,000	-	-	-	-	-	-	-	-	-	-	1,180,000	Loan
		N. Main St. Sanitary Water and Sewer Improvements	1,090,000	-	-	-	-	-	-	-	-	-	-	1,090,000	Loan
		Oakland St and Fleming St Water and Sewer Improvements	2,188,000	-	-	-	-	-	-	-	-	-	-	2,188,000	Loan
		Pace Rd. Water Main Extension and Interconnect	1,350,000	-	-	-	-	-	-	-	-	-	-	1,350,000	Loan
		S. Mills Gap Rd. Water Main Extension	1,386,000	-	-	-	-	-	-	-	-	-	-	1,386,000	Loan
		S. Rugby Road Water Main Interconnect	1,888,000	-	-	-	-	-	-	-	-	-	-	1,888,000	Loan
		Soil Screen, Portable	45,000	-	-	-	-	-	-	-	-	-	-	45,000	WS Cash
		Southside Water System Improvements	3,128,000	-	-	-	-	-	-	-	-	-	-	3,128,000	Loan
		Tapping Machine (4" to 12")	64,000	-	-	-	-	-	-	-	-	-	-	64,000	WS Cash
		Trailer-mounted Sewer Jetter (29-04)	56,000	-	-	-	-	-	-	-	-	-	-	56,000	WS Cash
		Vacuum Excavator	64,000	-	-	-	-	-	-	-	-	-	-	64,000	WS Cash
		Williams St. 4th Ave E. Sanitary Sewer Replacement	542,000	-	-	-	-	-	-	-	-	-	-	542,000	Loan
		Willow Rd., Cherokee Dr., Park St. Sanitary Sewer and Water Improvements	3,198,000	-	-	-	-	-	-	-	-	-	-	3,198,000	Loan
		WTP Lawnmower	16,000	-	-	-	-	-	-	-	-	-	-	16,000	WS Cash
	2028+ Total		31,081,000	-	-	-	-	-	-	-	-	-	-	31,081,000	
Water & Sewer Total			140,880,500	18,323,500	17,400,500	600,000	7,298,000	11,094,500	22,611,000	4,070,000	2,290,000	200,000	21,500,000	35,493,000	
Grand Total			172,417,750	31,767,000	20,585,500	5,088,500	10,342,000	15,146,500	23,227,750	4,630,000	3,286,000	1,119,000	21,646,500	35,579,000	



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
1	Not assigned	20,554.51	25,918.84	31,278.62
2	Not assigned	21,582.24	27,214.78	32,842.55
3	Not assigned	22,661.35	28,575.52	34,484.68
4	Not assigned	23,794.41	30,004.30	36,208.91
5	Not assigned	24,984.14	31,504.52	38,019.36
6	Environmental Services Worker I	26,233.34	33,079.74	39,920.32
6	Property Maintenance Worker I	26,233.34	33,079.74	39,920.32
6	Street Maintenance Worker I	26,233.34	33,079.74	39,920.32
7	Customer Service Collection Specialist	27,545.01	34,733.73	41,916.34
7	Facilities Maintenance Technician	27,545.01	34,733.73	41,916.34
8	Administrative Assistant I	28,922.26	36,470.41	44,012.16
8	Customer Service Representative	28,922.26	36,470.41	44,012.16
8	Environmental Services Worker II	28,922.26	36,470.41	44,012.16
8	Line Maintenance Mechanic I	28,922.26	36,470.41	44,012.16
8	Meter Services Technician	28,922.26	36,470.41	44,012.16
8	Police Support Specialist	28,922.26	36,470.41	44,012.16
8	Property Maintenance Worker II	28,922.26	36,470.41	44,012.16
8	Street Maintenance Worker II	28,922.26	36,470.41	44,012.16
8	Warehouse Specialist	28,922.26	36,470.41	44,012.16
8	WTP Operator I	28,922.26	36,470.41	44,012.16
8	WWTP Operator I	28,922.26	36,470.41	44,012.16
9	Evidence Technician/Admin Assistant	30,368.37	38,293.94	46,212.77
9	Facilities Maintenance Mechanic I	30,368.37	38,293.94	46,212.77
9	Senior Police Support Specialist	30,368.37	38,293.94	46,212.77
10	Accounts Payable Specialist	31,886.79	40,208.63	48,523.40
10	Building Maintenance Technician	31,886.79	40,208.63	48,523.40
10	Environmental Services Equip Operator	31,886.79	40,208.63	48,523.40
10	Fleet Equipment Mechanic	31,886.79	40,208.63	48,523.40
10	Line Maintenance Mechanic II	31,886.79	40,208.63	48,523.40
10	Property Maintenance Equip Operator	31,886.79	40,208.63	48,523.40
10	Telecommunicator	31,886.79	40,208.63	48,523.40
10	Street Maintenance Equipment Operator	31,886.79	40,208.63	48,523.40
10	Utilities Locator	31,886.79	40,208.63	48,523.40
10	WTP Operator II	31,886.79	40,208.63	48,523.40
10	WWTP Operator II	31,886.79	40,208.63	48,523.40



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
11	Administrative Assistant II	33,481.13	42,219.06	50,949.57
11	Downtown Promotions Coordinator	33,481.13	42,219.06	50,949.57
11	Environmental Services Crew Leader	33,481.13	42,219.06	50,949.57
11	Facilities Maintenance Mechanic II	33,481.13	42,219.06	50,949.57
11	Firefighter/EMT	33,481.13	42,219.06	50,949.57
11	Fleet Equipment Services Specialist	33,481.13	42,219.06	50,949.57
11	Lead Telecommunicator	33,481.13	42,219.06	50,949.57
11	Property Maintenance Crew Leader	33,481.13	42,219.06	50,949.57
11	Street Maintenance Crew Leader	33,481.13	42,219.06	50,949.57
11	Traffic Control Technician	33,481.13	42,219.06	50,949.57
11	Utility Operations Support Specialist	33,481.13	42,219.06	50,949.57
12	CCTV Crew Leader	35,155.19	44,330.02	53,497.05
12	Fire Inspector I	35,155.19	44,330.02	53,497.05
12	Inflow Infiltration Technician	35,155.19	44,330.02	53,497.05
12	Laboratory Technician	35,155.19	44,330.02	53,497.05
12	Leak Detection Technician	35,155.19	44,330.02	53,497.05
12	Line Maintenance Crew Leader	35,155.19	44,330.02	53,497.05
12	Police Officer	35,155.19	44,330.02	53,497.05
12	Senior Firefighter/EMT	35,155.19	44,330.02	53,497.05
12	WTP Operator III	35,155.19	44,330.02	53,497.05
12	WWTP Operator III	35,155.19	44,330.02	53,497.05
12	Zoning Enforcement Officer	35,155.19	44,330.02	53,497.05
13	Administrative Assistant III	36,912.95	46,546.52	56,171.91
13	Deputy Tax Collector/Administrative Assistant III	36,912.95	46,546.52	56,171.91
13	Fire Engineer	36,912.95	46,546.52	56,171.91
13	Fire Inspector II	36,912.95	46,546.52	56,171.91
13	Human Resources Coordinator	36,912.95	46,546.52	56,171.91
13	Parking Services Supervisor	36,912.95	46,546.52	56,171.91
13	Payroll & Benefits Coordinator	36,912.95	46,546.52	56,171.91
13	Police Communications Supervisor	36,912.95	46,546.52	56,171.91
13	School Resource Officer	36,912.95	46,546.52	56,171.91
13	Senior Customer Support Specialist	36,912.95	46,546.52	56,171.91
13	Utilities Operations Support Supervisor	36,912.95	46,546.52	56,171.91
13	WWTP Laboratory Technician	36,912.95	46,546.52	56,171.91
14	Customer Service Supervisor	38,758.59	48,873.84	58,980.50
14	Engineering Technician I	38,758.59	48,873.84	58,980.50
14	Environmental Services Coordinator	38,758.59	48,873.84	58,980.50
14	Fire and Life Safety Educator	38,758.59	48,873.84	58,980.50
14	Instrumentation & Electrical Technician	38,758.59	48,873.84	58,980.50
14	Meter Services Supervisor	38,758.59	48,873.84	58,980.50
14	Paralegal & Grants Coordinator	38,758.59	48,873.84	58,980.50
14	Police Detective	38,758.59	48,873.84	58,980.50
14	Public Information Officer	38,758.59	48,873.84	58,980.50



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
15	AMI Data Analyst	40,696.52	51,317.54	61,929.53
15	Assistant Fire Marshal	40,696.52	51,317.54	61,929.53
15	Budget & Management Analyst	40,696.52	51,317.54	61,929.53
15	Building Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Chief WTP Operator	40,696.52	51,317.54	61,929.53
15	Chief WWTP Operator	40,696.52	51,317.54	61,929.53
15	Construction Inspector	40,696.52	51,317.54	61,929.53
15	Engineering Technician II	40,696.52	51,317.54	61,929.53
15	Environmental Services Supervisor	40,696.52	51,317.54	61,929.53
15	Facilities Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Fire Lieutenant	40,696.52	51,317.54	61,929.53
15	Fleet Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	GIS/IT Analyst	40,696.52	51,317.54	61,929.53
15	Planner	40,696.52	51,317.54	61,929.53
15	Police Sergeant	40,696.52	51,317.54	61,929.53
15	Property Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Sewer Collection Systems Supervisor	40,696.52	51,317.54	61,929.53
15	Street Maintenance Supervisor	40,696.52	51,317.54	61,929.53
15	Traffic Control Supervisor	40,696.52	51,317.54	61,929.53
15	Water Distribution Systems Supervisor	40,696.52	51,317.54	61,929.53
15	WWTP Laboratory Supervisor	40,696.52	51,317.54	61,929.53
16	Accountant I	42,731.35	53,883.41	65,026.00
16	Engineering Technician III	42,731.35	53,883.41	65,026.00
16	Stormwater Quality Specialist	42,731.35	53,883.41	65,026.00
17	Accountant II	44,867.92	56,577.58	68,277.30
17	Senior Budget Analyst	44,867.92	56,577.58	68,277.30
17	Senior Planner	44,867.92	56,577.58	68,277.30
18	Accounting Supervisor	47,111.31	59,406.46	71,691.17
18	Civil Engineer I	47,111.31	59,406.46	71,691.17
18	Construction Manager	47,111.31	59,406.46	71,691.17
18	Deputy Fire Marshal	47,111.31	59,406.46	71,691.17
18	Fire Captain	47,111.31	59,406.46	71,691.17
18	Fire Training Officer	47,111.31	59,406.46	71,691.17
18	Wastewater Treatment Facilities Manager	47,111.31	59,406.46	71,691.17
18	Water Treatment Facilities Manager	47,111.31	59,406.46	71,691.17
19	Fire Battalion Chief	49,466.88	62,376.79	75,275.73
19	Police Lieutenant	49,466.88	62,376.79	75,275.73
20	Civil Engineer II	51,940.22	65,495.62	79,039.51
20	Fire Marshal	51,940.22	65,495.62	79,039.51
20	Stormwater Administrator	51,940.22	65,495.62	79,039.51
20	Utilities Technology Manager	51,940.22	65,495.62	79,039.51



City of Hendersonville

Pay and Classification Schedule

Market Increase = 1.20% July 1st, 2018 - June 30th, 2019

Grade	Job Classification Title	Minimum	Midpoint	Maximum
21	Not Assigned	54,537.23	68,770.41	82,991.49
22	Assistant Finance Director	57,264.10	72,208.93	87,141.06
22	Assistant Public Works Director	57,264.10	72,208.93	87,141.06
22	Civil Engineer III	57,264.10	72,208.93	87,141.06
22	GIS Administrator	57,264.10	72,208.93	87,141.06
22	Operations Manager	57,264.10	72,208.93	87,141.06
22	Police Captain	57,264.10	72,208.93	87,141.06
23	Assistant Police Chief	60,127.30	75,819.37	91,498.12
23	Deputy Fire Chief	60,127.30	75,819.37	91,498.12
24	Civil Engineer IV	63,133.67	79,610.34	96,073.02
25	City Clerk	66,290.35	83,590.86	100,876.67
25	Downtown Economic Development Dir	66,290.35	83,590.86	100,876.67
25	Human Resources Director	66,290.35	83,590.86	100,876.67
26	Not assigned	69,604.87	87,770.41	105,920.51
27	Not assigned	73,085.11	92,158.92	111,216.53
28	City Engineer	76,739.37	96,766.87	116,777.36
28	Development Assistance Director	76,739.37	96,766.87	116,777.36
28	Finance Director	76,739.37	96,766.87	116,777.36
28	Fire Chief	76,739.37	96,766.87	116,777.36
28	Police Chief	76,739.37	96,766.87	116,777.36
28	Public Works Director	76,739.37	96,766.87	116,777.36
28	Utilities Director	76,739.37	96,766.87	116,777.36
29	Not assigned	80,576.33	101,605.21	122,616.23
30	Not assigned	84,605.15	106,685.47	128,747.04
31	Assistant City Manager	88,835.41	112,019.74	135,184.39
32	Not assigned	93,277.18	117,620.73	141,943.61
33	Not assigned	97,941.04	123,501.77	149,040.79
34	Not assigned	102,838.09	129,676.86	156,492.83
35	Not assigned	107,979.99	136,160.70	164,317.47
36	Not assigned	113,378.99	142,968.74	172,533.34



Pay Scale – Summary

GRADE	MIN	MID	MAX
1	20,554.51	25,918.84	31,278.62
2	21,582.24	27,214.78	32,842.55
3	22,661.35	28,575.52	34,484.68
4	23,794.41	30,004.30	36,208.91
5	24,984.14	31,504.52	38,019.36
6	26,233.34	33,079.74	39,920.32
7	27,545.01	34,733.73	41,916.34
8	28,922.26	36,470.41	44,012.16
9	30,368.37	38,293.94	46,212.77
10	31,886.79	40,208.63	48,523.40
11	33,481.13	42,219.06	50,949.57
12	35,155.19	44,330.02	53,497.05
13	36,912.95	46,546.52	56,171.91
14	38,758.59	48,873.84	58,980.50
15	40,696.52	51,317.54	61,929.53
16	42,731.35	53,883.41	65,026.00
17	44,867.92	56,577.58	68,277.30
18	47,111.31	59,406.46	71,691.17
19	49,466.88	62,376.79	75,275.73
20	51,940.22	65,495.62	79,039.51
21	54,537.23	68,770.41	82,991.49
22	57,264.10	72,208.93	87,141.06
23	60,127.30	75,819.37	91,498.12
24	63,133.67	79,610.34	96,073.02
25	66,290.35	83,590.86	100,876.67
26	69,604.87	87,770.41	105,920.51
27	73,085.11	92,158.92	111,216.53
28	76,739.37	96,766.87	116,777.36
29	80,576.33	101,605.21	122,616.23
30	84,605.15	106,685.47	128,747.04
31	88,835.41	112,019.74	135,184.39
32	93,277.18	117,620.73	141,943.61
33	97,941.04	123,501.77	149,040.79
34	102,838.09	129,676.86	156,492.83
35	107,979.99	136,160.70	164,317.47
36	113,378.99	142,968.74	172,533.34





CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Adam Murr

Department: Admin

Date Submitted: 05/23/2018

Presenter: Brian Pahle & Adam Murr

Date of Council Meeting to consider this item: 06/07/2018

Nature of Item: Council Action

Summary of Information/Request:

Item # 08

City Staff have been directed by the City Council to pursue a general obligation bond referendum on the ballot in November. Three items attached below are intended to direct staff to take the actions necessary to get the process started to put the bond question(s) on the ballot.

The first item that the NC Statutes require is the publication of the notice of intention to apply to the LGC for approval of the bonds to be put on the ballot. These actions direct staff to do that and also directs the staff to make application to the LGC. The final item is intended to have the City Council make the same findings that the LGC has to make in order to approve the bonds and, per LGC policy is being done to support the application that is being made to the LGC.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

I move that the City Council adopt the three (3) attached resolutions drafted for the following reasons:

- 1) To Direct the Publication of Notice of Intention to Apply to the Local Government Commission for Approval of Bonds
- 2) To Authorizing the Finance Director to Apply to the Local Government Commission for Approval of the City's Proposed General Obligation Bonds and to Submit Such Application to the Local Government Commission
- 3) To Make Certain Statements of Fact Concerning Proposed Bond Issue

Attachments:

(3) See below...

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH
CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO
THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**

WHEREAS, the City Council (the “*City Council*”) of the City of Hendersonville, North Carolina (the “*City*”) is considering the issuance of general obligation bonds of the City which shall be for the following purposes and in the following maximum amounts:

\$3,000,000 of bonds to pay the capital costs of acquiring, constructing, reconstructing, renovating, expanding, furnishing and equipping parks and recreation facilities, including acquiring land, rights-of-way and easements in land.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Clerk is hereby directed to cause a copy of the “NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS” to be published in a newspaper of general circulation in the City.

Upon motion of Council Member _____, the foregoing order titled: “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**” was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 7th day of June, 2018.

STATE OF NORTH CAROLINA)
)
CITY OF HENDERSONVILLE) SS:

I, Tammie Drake, City Clerk of the City of Hendersonville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the resolutions titled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**” adopted by the City Council of the City of Hendersonville, North Carolina in regular session convened on the 7th day of June, 2018, as recorded in the minutes of the City Council of the City of Hendersonville, North Carolina.

WITNESS my hand and the seal of the City of Hendersonville, North Carolina, this the ___ day of June, 2018.

(SEAL)

City Clerk
City of Hendersonville, North Carolina

**NOTICE OF INTENTION TO APPLY TO THE
LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**

NOTICE IS HEREBY GIVEN of intention of the undersigned to file application with the Local Government Commission, Raleigh, North Carolina for its approval of the issuance of general obligation bonds of the City of Hendersonville, North Carolina which shall be for the following purposes and in the following maximum amounts:

\$3,000,000 of bonds to pay the capital costs of acquiring, constructing, reconstructing, renovating, expanding, furnishing and equipping parks and recreation facilities, including acquiring land, rights-of-way and easements in land.

Any citizen or taxpayer of the City of Hendersonville, North Carolina objecting to the issuance of any or all of said bonds, within seven (7) days after the date of publication of this notice, may file with the Local Government Commission, 3200 Atlantic Avenue, Longleaf Building, Raleigh, NC 27604, Attention: Secretary, and with the undersigned a written statement setting forth each objection to the proposed bond issue and such statement shall contain the name and address of the person filing it.

**CITY OF HENDERSONVILLE, NORTH
CAROLINA**

/s/ Tammie Drake _____

City Clerk

City of Hendersonville, North Carolina

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH
CAROLINA AUTHORIZING THE CITY MANAGER TO APPLY TO THE LOCAL
GOVERNMENT COMMISSION FOR APPROVAL OF THE CITY’S PROPOSED GENERAL
OBLIGATION BONDS AND TO SUBMIT SUCH APPLICATION TO THE LOCAL
GOVERNMENT COMMISSION**

WHEREAS, the City Council (the “*City Council*”) of the City of Hendersonville, North Carolina (the “*City*”) proposes to set a public hearing on the following Bond Order entitled:

“BOND ORDER AUTHORIZING THE ISSUANCE OF \$3,000,000 GENERAL
OBLIGATION PARKS AND RECREATION BONDS OF THE CITY OF
HENDERSONVILLE, NORTH CAROLINA”

WHEREAS, it is necessary, as a condition to the consideration and adoption of the Bond Order, to submit an Application to the Local Government Commission for Approval of the Bonds, all in the manner required by The Local Government Bond Act.

NOW, THEREFORE, be it resolved by the City Council that the City Manager, or his designee, is hereby directed to file with the Local Government Commission (the “*Commission*”) an application for its approval of the General Obligation Parks and Recreation Bonds hereinbefore described, on a form prescribed by said Commission, and (1) to request in such application that said Commission approve the City’s use of Parker Poe Adams & Bernstein LLP, as bond counsel for the City and (2) to state in such application such facts and to attach thereto such exhibits in regard to such General Obligation Parks and Recreation Bonds and to the City and its financial condition, as may be required by said Commission.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

Upon motion of Council Member _____, the foregoing order titled: “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA AUTHORIZING THE CITY MANAGER TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE CITY’S PROPOSED GENERAL OBLIGATION BONDS AND TO SUBMIT SUCH APPLICATION TO THE LOCAL GOVERNMENT COMMISSION**” was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 7th day of June, 2018.

STATE OF NORTH CAROLINA)
)
CITY OF HENDERSONVILLE) SS:

I, Tammie Drake, City Clerk of the City of Hendersonville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the resolutions titled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA AUTHORIZING THE CITY MANAGER TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE CITY’S PROPOSED GENERAL OBLIGATION BONDS AND TO SUBMIT SUCH APPLICATION TO THE LOCAL GOVERNMENT COMMISSION**” adopted by the City Council of the City of Hendersonville, North Carolina in regular session convened on the 7th day of June, 2018, as recorded in the minutes of the City Council of the City of Hendersonville, North Carolina.

WITNESS my hand and the seal of the City of Hendersonville, North Carolina, this the ____ day of June, 2018.

(SEAL)

City Clerk
City of Hendersonville, North Carolina

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH
CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO
THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**

WHEREAS, the City Council (the “*City Council*”) of the City of Hendersonville, North Carolina (the “*City*”) is considering the issuance of general obligation bonds of the City which shall be for the following purposes and in the following maximum amounts:

\$3,000,000 of bonds to pay the capital costs of acquiring, constructing, reconstructing, renovating, expanding, furnishing and equipping parks and recreation facilities, including acquiring land, rights-of-way and easements in land.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Clerk is hereby directed to cause a copy of the “NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS” to be published in a newspaper of general circulation in the City.

Upon motion of Council Member _____, the foregoing order titled: “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**” was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 7th day of June, 2018.

STATE OF NORTH CAROLINA)
)
CITY OF HENDERSONVILLE) SS:

I, Tammie Drake, City Clerk of the City of Hendersonville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the resolutions titled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO APPLY TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**” adopted by the City Council of the City of Hendersonville, North Carolina in regular session convened on the 7th day of June, 2018, as recorded in the minutes of the City Council of the City of Hendersonville, North Carolina.

WITNESS my hand and the seal of the City of Hendersonville, North Carolina, this the ___ day of June, 2018.

(SEAL)

City Clerk
City of Hendersonville, North Carolina

**NOTICE OF INTENTION TO APPLY TO THE
LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF BONDS**

NOTICE IS HEREBY GIVEN of intention of the undersigned to file application with the Local Government Commission, Raleigh, North Carolina for its approval of the issuance of general obligation bonds of the City of Hendersonville, North Carolina which shall be for the following purposes and in the following maximum amounts:

\$3,000,000 of bonds to pay the capital costs of acquiring, constructing, reconstructing, renovating, expanding, furnishing and equipping parks and recreation facilities, including acquiring land, rights-of-way and easements in land.

Any citizen or taxpayer of the City of Hendersonville, North Carolina objecting to the issuance of any or all of said bonds, within seven (7) days after the date of publication of this notice, may file with the Local Government Commission, 3200 Atlantic Avenue, Longleaf Building, Raleigh, NC 27604, Attention: Secretary, and with the undersigned a written statement setting forth each objection to the proposed bond issue and such statement shall contain the name and address of the person filing it.

**CITY OF HENDERSONVILLE, NORTH
CAROLINA**

/s/ Tammie Drake _____

City Clerk

City of Hendersonville, North Carolina



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 05.31.18

Presenter: John Connet

Date of Council Meeting to consider this item: 06.07.18

Nature of Item: Presentation Only

Summary of Information/Request:

Item # 09

We have asked Travis Penland, Geographic Information Systems Administrator, to provide a demonstration of GIS Story Map.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? ^{N/A} If no, describe how it will be funded.

Suggested Motion:

Attachments:



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 5/29/2018

Presenter: John Connet

Date of Council Meeting to consider this item: 6/07/2018

Nature of Item: Discussion/Staff Direction

Summary of Information/Request:

Item # 10

City staff continues to work with Belmont Sayer, LLC to redevelop the Grey Hosiery Mill. Developer Ken Reiter will provide an update on the project and request direction on City Council.

Budget Impact: \$ TBD Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

NA

Attachments:

None at this time



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: John Connet

Department: Admin

Date Submitted: 05.31.18

Presenter: John Connet

Date of Council Meeting to consider this item: 06.07.18

Nature of Item: Presentation Only

Summary of Information/Request:

Item # 12a

In accordance with "A Resolution Delegating the Authority for Declaring Personal Property Surplus," this report contains a report of vehicles that are surplus and will be sold on Gov Deals.

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? N/A If no, describe how it will be funded.

Suggested Motion:

N/A - Report only

Attachments:

Drake, Tammie

Subject: FW: Gov Deals authorization

From: Troy Cornett

Sent: Monday, May 21, 2018 3:32 PM

To: Connet, John <jconnet@hvlnc.gov>

Subject: RE: Gov Deals authorization

<u>Type</u>	<u>Model</u>	<u>Drive train</u>	<u>Inv#</u>	<u>VIN#</u>
Ford	Ranger	4x4	14-37	1FTZR15E88PA17445
Ford	Ranger	4x2	15-08	1FTYR14U08PA15354
Ford	Ranger	4x2	15-10	1FTZR14E18PB09885
Ford	Ranger	4x2	15-11	1FTYR10U58PB09882
Ford	Ranger	4x2	15-16	1FTYR10U98PB09884

Trucks were the old meter reader vehicles with rough attributes...i.e., slipping transmission, rust, dents, torn interior, etc.

Drake, Tammie

Subject: FW: Gov Deals asset reduction

From: Connet, John

Sent: Wednesday, May 30, 2018 4:41 PM

To: Troy Cornett <tcornett@hvlnc.gov>

Cc: Powell, Krystal <kpowell@hvlnc.gov>; Ledford, Tammy <tledford@hvlnc.gov>; Drake, Tammie <TDrake@hvlnc.gov>

Subject: RE: Gov Deals asset reduction

Approved to surplus.

John

From: Troy Cornett

Sent: Friday, May 25, 2018 12:24 PM

To: Connet, John <jconnet@hvlnc.gov>

Cc: Smith, Lee <lsmith@hvlnc.gov>; Brogden, Andy <abrogden@hvlnc.gov>; Ledford, Tammy <tledford@hvlnc.gov>; Bonham, AJ <ajbonham@hvlnc.gov>

Subject: Gov Deals asset reduction

John,

Listed below are vehicles needing approval for sale. Vehicles have been stripped of city property and logos. Tags and WEX cards have been turned in to proper departments.

ASSET	DESCRIPTION	ADDITIONAL DESCRIPTION	STATUS	SERIAL/PARCEL	DEPARTMENT	MODEL
1666	2005 CHEVY SILVERADO 4X4 14-13	Mike McCall (transferred from 607123) - OK	A	1GCEK14V05Z232872	7123	SILVERADO 1500
2255	2006 CHEVY EXPRESS VAN 3500 11-08		A	1GCHG35UX61169652	7123	VAN 3500
1776	2007 FORD F350 17-03		A	1FDWF36P37EA61043	7126	F350

Regards,

Troy Cornett

tcornett@hvlnc.gov

Operations Support Specialist



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

Submitted By: Tammie Drake

Department: Admin

Date Submitted: 05.29.18

Presenter: Tammie Drake

Date of Council Meeting to consider this item: 06.07.18

Nature of Item: Presentation Only

Summary of Information/Request:

Item # 13

Reappointment:

ABC Board: The term of Marcia Kane expires June 30, 2018. She is willing to serve another term.

Vacancies:

Business Advisory Committee: 1 vacant position

Environmental Sustainability Board: 3 vacant positions for City residents, 1 vacant position for outside-City rep. We have no applications on file at this time.

Tree Board - 1 vacancy. You have received an application from Wes Kocher (attached).

Budget Impact: \$ _____ Is this expenditure approved in the current fiscal year budget? ^{N/A} If no, describe how it will be funded.

Suggested Motion:

Attachments:

Board membership lists