



MINUTES

June 4, 2020 [ELECTRONIC]

MONTHLY MEETING OF THE CITY COUNCIL

ASSEMBLY ROOM – OPERATIONS CENTER | 305 WILLIAMS ST. 5:45 p.m.

Present: Mayor Barbara G. Volk and Council Members: Jeff Miller, Jennifer Hensley

Participating Electronically: Mayor Pro Tem Jerry Smith, Council Member Lyndsey Simpson

Staff Present: City Manager John F. Connet, City Attorney Sam Fritschner, Assistant City Manager Brian Pahle, City Clerk Angela Reece, Communications Manager Allison Nock, Chief of Police, Herbert Blake, Budget & Management Analyst Adam Murr, City Engineer Brent Detwiler, Development Assistance Director Susan Frady, Senior Planner Daniel Heyman, Utilities Director Lee Smith

1. Call to Order

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

2. Invocation and Pledge of Allegiance to the Flag

There was a moment of silence for prayer followed by the Pledge of Allegiance to the Flag

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

Ralph R. Hammond-Green of 1232 Hyman Avenue submitted written comment voicing concerns over Dark Sky Initiative compliant lighting fixtures with construction of the new police department.

4. Consideration of Agenda

Addition to Consent Agenda

Item 5G Consideration of Documents to Apply for FEMA Assistance and Reimbursement

Item 11A Consideration of Purchase of the Kelly-Orr Property

Council Member Jeff Miller moved to approve the agenda as amended. A unanimous vote of the Council followed. Motion carried.

5. Consideration of Consent Agenda

A. Consideration of Minutes:

- i. May 7, 2020 Regular Meeting
- ii. May 8, 2020 Budget Special Meeting
- iii. May 18, 2020 Special Meeting

B. Consideration of Vehicle and Equipment Installment Financing

C. Consideration of Amendment 4 of the French Broad River Intake Project Engineering Agreement

D. Consideration of a One-Time Compensatory Time Waiver

E. Consideration of a Special Event Permit for the Hendersonville Farmer's Market

F. Consideration of a Special Event Permit for the Hendersonville Farmer's Market

G. Consideration of Documents to Apply for FEMA Assistance and Reimbursement

Council Member Jerry Smith moved to approve the agenda as amended. A unanimous vote of the Council followed. Motion carried.

6. Administration of the Oath of Office of City Clerk

Mayor Barbara G. Volk issued the Oath of Office of City Clerk to Angela L. Reece

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

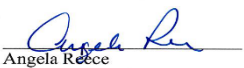
IN THE MATIER OF
Angela Reece
City of Hendersonville City Clerk

OATH OF OFFICE

I, Angela Reece, do swear (or affirm) that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina, and to the Constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability; so help me God.

I, Angela Reece, do swear (or affirm) that I will well and truly execute the duties of the office of City of Hendersonville City Clerk according to the best of my skill and ability, according to law; so help me God.

This is the first day of June 2020.


Angela Reece

Sworn to and subscribed before me
this the first day of June 2020.



7. Consideration of the Adoption of the Budget Ordinance Making Appropriations for Certain Expenses, Capital Improvements and Indebtedness of the City of Hendersonville, North Carolina, for the Fiscal Year Beginning July 1, 2020 and Ending June 30, 2021 for Fiscal Year 2020-21

City Manager John F. Connet presented the Fiscal Year 2020-2021 manager recommended budget to City Council for consideration. Manager Connet extended thanks and appreciation to Assistant Manager Brian Pahle and Budget & Management Analyst Adam Murr for their work on the budget.

General Fund (45.97% of total budget)

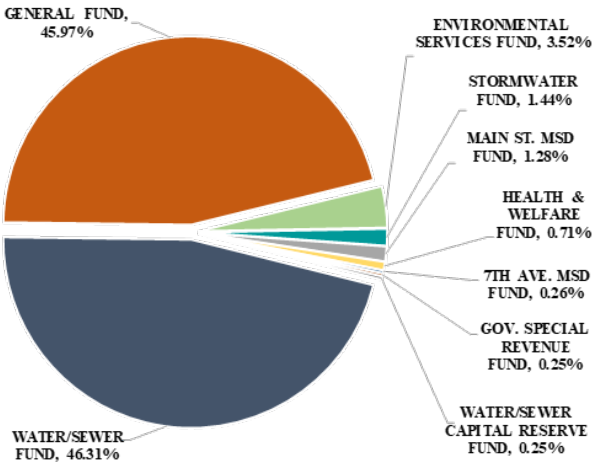
Highlights

- 1.50% Market Salary Increase
 - 1.20% Retirement Contribution Increase
 - LESA Increase ~\$40k
 - Health Insurance Increase ~\$100k
 - SAFER Grant \$60k Match
 - Hiring Freeze
 - No New Positions
 - Reduced Operating Requests \$583k
- Reduced Capital Requests \$1.65M
 - PD HQ \$230k Debt Service
 - 7TH Ave Streetscape \$149k Debt Service
 - Fire Engine 3 \$72k Debt Service
 - DT Parking Deck Preparation
 - Sales Tax Est. 11.09% Decrease
 - Tax Rate Remains at \$.49

Manager Connet gave an overview of the Budget discussing the catastrophic impacts COVID-09 is having on the economy. Manager Connet stated sales tax revenue projections show large decreases throughout the market which have posed significant challenges to the budgeting process. Manager Connect stated he has crafted a budget incorporating a hiring freeze, purchasing freeze/strategy that will allow flexibility moving forward should revenue projections come in higher than anticipated. Manager Connet stated a portion of fund balance (\$1,275,155) is allocated to support the loss of the general fund revenues but said he is optimistic that the economy will pick back up to replenish revenue streams.

MAJOR FUNDS OVERVIEW FY20-21

FUND	EXPENDITURES	REVENUES	FUND BALANCE APPROP.
WATER/SEWER	\$ 18,455,397	\$ 17,605,675	\$ 849,722
GENERAL	18,320,046	17,062,891	1,257,155
ENVIRONMENTAL SERVICES	1,404,017	1,308,800	95,217
STORMWATER	575,423	541,790	33,633
MAIN ST. MSD	509,553	472,410	37,143
HEALTH & WELFARE	282,480	282,480	-
7TH AVE. MSD	102,256	75,250	27,006
GOV. SPECIAL REVENUE	100,500	21,000	79,500
WATER/SEWER CAPITAL RESERVE	100,000	100,000	-
SUB-TOTAL	\$ 39,849,672	\$ 37,470,296	\$ 2,379,376
TOTAL IN BALANCE		\$39,849,672	



Water and Sewer Fund (46.31% of the total budget)

- | | |
|---|---|
| <p>Highlights</p> <ul style="list-style-type: none"> • 145% Water Rate Differential • 150% Wastewater Rate Differential • Continue Move to Commercial Flat Rates • Hiring Freeze • No New Positions • Pay-Go Capital \$1.04M Less than FY19-20 | <ul style="list-style-type: none"> • Revenue Bond Established Rate Covenants • \$21.2M Debt Added/Refinanced in FY19-20 • \$100k Capital Reserve Fund Transfer for Economic Development Projects • \$98.6M Capital Projects Scheduled through FY24-25 |
|---|---|

Manager Connet clarified the 145% Water Rate Differential as being a Council priority stating the proposed rate will continue to bring the inside/outside water rates closer together. Manager Connet stated commercial rates are continuing to be transitioned to flat rates to allow the City to become more efficient and to encourage conservation. Manager Connet discussed debt within the fund stating the figures represent rate covenants related to revenue bonds and ongoing projects in Etowah and the Fletcher. He stated a capital reserve fund has been established for future water and utility projects.

Manager Connet discussed water and sewer rates stating inside water rates have increased by \$.52 and outside water rates have increased by \$.45 on the $\frac{3}{4}$ " base charge. Volumetric rates have increased by \$.32 and for inside and outside. Sewer rates have increased by \$.08 for inside and outside for $\frac{3}{4}$ " base charge. Manager Connet reminded everyone that the increases are part of the rate study recommendations which will keep the system in working order and allow funding for large future capital projects.

Environmental Services & Stormwater Fund

- Highlights - Stormwater**
- Utility Rate Study
 - Flat Fee Increase \$3.00 to \$5.00
 - \$249,725 Infrastructure Improvements
 - \$100,000 Master Planning (Phase II)

Manager Connet stated there will be a flat fee increase of \$2.00 for stormwater and said with the current economy staff felt this increase was appropriate. Manager Connet reminded everyone the fees are used for infrastructure improvements to the storm drainage system and said he and staff will have further discussions on the sustainability of the fund in the FY21-22 budget.

There were no remarks from City Council.

At 6:09 p.m., the public hearing was opened by Mayor Volk in accordance with North Carolina General Statutes by notice published in the Hendersonville Times-News. The following addressed the Council:

Ken Fitch, 1046 Patton Street, addressed the Council regarding concerns of the impacts of COVID-19 on city staff pay increases stating, "their presence is a reassurance and highly valued during times of crisis". Mr. Fitch also addressed concerns of moving forward with the parking deck project.

There were no other citizen comments. Council Member Jerry Smith commenting on previous remarks supporting a tax cut. Councilman Smith stated he has worked with the Manager and staff to assess revenues and said over the past two years the city's spending could have warranted a tax increase, but said the rate has remained the same with portions of fund balance being utilized to balance the budget.

The budget public hearing was closed at 6:14 p.m.

The Council scheduled a date for the adoption of the Fiscal Year 2020-21 Budget Ordinance during a special meeting of the City Council on Wednesday, June 24, 2020 at 4:00 p.m. in the Assembly Room of the Operations Center located at 305 Williams St. Hendersonville.

8. Public Hearing – Consideration of an Order to Close a Portion of an Unopened and Unimproved Alley between Williams Street and Harris Street

Development Assistance Director Susan Frady stated the City has received an application from the Hendersonville Housing Authority to close a portion for an unopened unimproved alley between Williams Street and Harris Street located on PIN 9568-99-9384. Director Frady recalled the City Council adopting the Resolution of Intent to close this alley at their regular meeting on April 2, 2020 and stated a copy was mailed to the adjacent property owners, notification of the proposed closing was posted on the property, and the Resolution of Intent and notice of public hearing was advertised four times in the legal notice section of a local newspaper.

Attorney Gene Carr representing the Hendersonville Housing Authority addressed City Council regarding all three properties for public hearing. Attorney Carr stated his firm is assisting with an affordable housing loan from the Housing and Urban Development (HUD) and said part of the process is to conduct a title search of the 26 parcels along Walnut Circle. Attorney Carr stated the title search revealed 3 of the properties had streets or alleys bisecting each property which were closed upon completion of the development in the 1960's. Attorney Carr stated his firm has been working with City Attorney Fritschner but were unable to locate official closure records. Attorney Carr stated it is necessary to formally closed these unopened unimproved alleyways to proceed with the loan from HUD.

At 6:20 p.m., the public hearing was opened by Mayor Volk in accordance with North Carolina General Statutes by notice published in the Hendersonville Times-News.

There were no citizen comments. The public hearing was closed at 6:25 p.m.

There were no comments by Council.

Council Member Jennifer Hensley moved Council resolve to adopt the order to permanently close a portion of an unopened and unimproved alley between Williams Street and Harris Street as petitioned by the Hendersonville Housing Authority for the Housing and Urban Development Grant. A unanimous vote of the Council followed. Motion carried.

ORDER # 20-0544

ORDER TO PERMANENTLY CLOSE AN UNOPENED AND UNIMPROVED ALLEY BETWEEN
WILLIAMS STREET AND HARRIS STREET
(Petition by Hendersonville Housing Authority)

NORTH CAROLINA

HENDERSON COUNTY

TO WHOM IT MAY CONCERN:

WHEREAS, North Carolina General Statue Section §160A-299 authorizes a city council to permanently close any street or public alley way within its corporate limits or area of extraterritorial jurisdiction and provides a procedure for the closing of such streets or alleyways; and

WHEREAS, Hendersonville Housing Authority has petitioned the City of Hendersonville to close an unopened and unimproved alley between Williams Street and Harris Street; and

WHEREAS, on the second day of April 2020, the Hendersonville City Council adopted a resolution expressing the intention of the municipality to close this alley and setting the fourth day of June 2020, as the date of a public hearing regarding such closure; and

WHEREAS, the aforementioned resolution has been published once a week for four successive weeks prior to the public hearing in the Hendersonville Times News (a newspaper of general and regular circulation in Hendersonville and Henderson County) and a copy thereof has been sent by certified mail to all owners of property adjoining the street as shown on the county tax records; and

WHEREAS, notice of the closings and of the public hearing has been posted in at least two places along the streets; and

WHEREAS, a public hearing was held in conformance with the aforementioned public notice on the fourth day of June 2020.

NOW, THEREFORE, the City Council of the City of Hendersonville does hereby make the following findings of fact:

1. The closing of the right-of-way hereafter described are not contrary to the public interest.
2. No individual owning property in the vicinity of the alley or in the subdivision in which it is located would be deprived by the closing of such right-of-way of reasonable means of ingress and egress to his property.

IN CONSIDERATION THEREOF, IT IS HEREBY ORDERED:

1. The following portions of streets are permanently closed and no longer existent as of the effective date of this order:

BEGINNING AT A CALCULATED POINT AT THE INTERSECTION OF THE WESTERN MARGIN OF HARRIS STREET AND THE SOUTHERN MARGIN OF A 20' ALLEY DESCRIBED IN DEED BOOK 424 PAGE 57; THENCE WITH THE SOUTH MARGIN OF SAID ALLEY S 75°38'12" W A DISTANCE OF 338.40' TO A CALCULATED POINT AT THE INTERSECTION OF THE SOUTH MARGIN OF SAID ALLEY AND THE EAST MARGIN OF WILLIAMS STREET; THENCE WITH THE EAST MARGIN OF WILLIAMS STREET N 21°40'48" W A DISTANCE OF 20.16' TO A CALCULATED POINT AT THE INTERSECTION OF THE EAST MARGIN OF WILLIAMS STREET AND THE NORTH MARGIN OF SAID ALLEY; THENCE WITH THE NORTH MARGIN OF SAID ALLEY N 75°38'12" E A DISTANCE OF 338.58' TO A CALCULATED POINT AT THE INTERSECTION OF THE NORTH MARGIN OF SAID ALLEY AND THE WESTERN MARGIN OF HARRIS STREET; THENCE WITH THE WESTERN MARGIN OF HARRIS STREET S 21°10'59" E A DISTANCE OF 20.14' TO THE POINT AND PLACE OF BEGINNING AND CONTAINING 0.155 ACRES, 6,770 SQ.FT. AND BEING THE HISTORIC LOCATION OF SAID 20' ALLEY.

2. The City Clerk shall forthwith cause a certified copy of this order to be filed in the Office of the Register of Deeds of Henderson County.

This order shall take effect the fourth day of June 2020.

Barbara G. Volk, Mayor, City of Hendersonville

ATTEST:

Angela L. Reece, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney

9. Public Hearing – Consideration of an Order to Close a Portion of an Unopened and Unimproved Right-of-Way for Roberson Avenue

Development Assistance Director Susan Frady stated the City has received an application from the Hendersonville Housing Authority to close a portion of an unopened unimproved right-of-way for Roberson Avenue located on PIN 9568-49-2048. Director Frady recalled the City Council adopting the Resolution of Intent to close this alley at their regular meeting on April 2, 2020 and stated a copy was mailed to the adjacent property owners, notification of the proposed closing was posted on the property, and the Resolution of Intent and notice of public hearing was advertised four times in the legal notice section of a local newspaper.

At 6:27 p.m., the public hearing was opened by Mayor Volk in accordance with North Carolina General Statutes by notice published in the Hendersonville Times-News.

There were no citizen comments. The public hearing was closed at 6:28 p.m.

There were no comments by Council.

Council Member Jennifer Hensley moved Council resolve to adopt the order to permanently close a portion of an unopened and unimproved right-of-way for Roberson Avenue as petitioned by the Hendersonville Housing Authority for the Housing and Urban Development Grant. A unanimous vote of the Council followed. Motion carried.

ORDER #20-0545**ORDER TO PERMANENTLY CLOSE AN UNOPENED AND UNIMPROVED
ROW FOR ROBERSON AVENUE
(Petition by Hendersonville Housing Authority)**

NORTH CAROLINA
HENDERSON COUNTY

TO WHOM IT MAY CONCERN:

WHEREAS, North Carolina General Statute Section §160A-299 authorizes a city council to permanently close any street or public alley way within its corporate limits or area of extraterritorial jurisdiction and provides a procedure for the closing of such streets or alleyways; and

WHEREAS, Hendersonville Housing Authority has petitioned the City of Hendersonville to close an unopened and unimproved ROW for Roberson Avenue; and

WHEREAS, on the second day of April 2020, the Hendersonville City Council adopted a resolution expressing the intention of the municipality to close this Right-of-Way and setting the fourth day of June 2020, as the date of a public hearing regarding such closure; and

WHEREAS, the aforementioned resolution has been published once a week for four successive weeks prior to the public hearing in the Hendersonville Times News (a newspaper of general and regular circulation in Hendersonville and Henderson County) and a copy thereof has been sent by certified mail to all owners of property adjoining the street as shown on the county tax records; and

WHEREAS, notice of the closings and of the public hearing has been posted in at least two places along the streets; and

WHEREAS, a public hearing was held in conformance with the aforementioned public notice on the fourth day of June 2020.

NOW, THEREFORE, the City Council of the City of Hendersonville does hereby make the following findings of fact:

1. The closing of the right-of-way hereafter described are not contrary to the public interest.
2. No individual owning property in the vicinity of the alley or in the subdivision in which it is located would be deprived by the closing of such right-of-way of reasonable means of ingress and egress to his property.

IN CONSIDERATION THEREOF, IT IS HEREBY ORDERED:

1. The following portions of streets are permanently closed and no longer existent as of the effective date of this order:

BEGINNING AT A CALCULATED POINT AT THE INTERSECTION OF THE EAST MARGIN OF VALLEY STREET AND THE NORTH MARGIN OF ROBERSON AVENUE; THENCE WITH THE NORTH MARGIN OF ROBERSON AVENUE S 82°14'12" E A DISTANCE OF 363.79' TO A CALCULATED POINT AT THE INTERSECTION OF THE NORTH MARGIN OF ROBERSON AVENUE AND THE WESTERN MARGIN OF THE NCDOT RIGHT OF WAY SHOWN IN PROJECT 35025.3.1; THENCE WITH THE WESTERN MARGIN OF SAID NCDOT RIGHT OF WAY THE FOLLOWING TWO CALLS; S 18°09'17" E A DISTANCE OF 8.31' TO A CALCULATED POINT; THENCE S 18°09'17" E A DISTANCE OF 22.38' TO A CALCULATED POINT AT THE INTERSECTION OF THE WEST MARGIN OF SAID NCDOT RIGHT OF WAY AND THE SOUTH MARGIN OF ROBERSON AVENUE; THENCE WITH THE SOUTH MARGIN OF ROBERSON AVENUE N 82°51'29" W A DISTANCE OF 376.71' TO A CALCULATED POINT AT THE INTERSECTION OF THE SOUTH MARGIN OF ROBERSON AVENUE AND THE EAST MARGIN OF VALLEY STREET; THENCE WITH THE EAST MARGIN OF VALLEY STREET N 06°49'21" E A DISTANCE OF 31.70' TO THE POINT AND PLACE OF BEGINNING AND CONTAINING 0.252 ACRES, 10,992 SQ.FT. AND BEING THE HISTPRIC LOCATION OF ROBERSON AVENUE.

2. The City Clerk shall forthwith cause a certified copy of this order to be filed in the Office of the Register of Deeds of Henderson County.

This order shall take effect the fourth day of June 2020.

Barbara G. Volk, Mayor, City of Hendersonville

ATTEST:

Angela L. Reece, City Clerk

Approved as to form:

Samuel H. Fritschner, City Attorney

10. Public Hearing – Consideration of an Order to Close a Portion of an Unopened and Unimproved Right-of-Way for Sixth Avenue East

Development Assistance Director Susan Frady stated the City has received an application from the Hendersonville Housing Authority to close a portion for an unopened unimproved right-of-way for Sixth Avenue East located on PIN 9568-99-9384. Director Frady recalled the City Council adopting the Resolution of Intent to close this alley at their regular meeting on April 2, 2020 and stated a copy was mailed to the adjacent property owners, notification of the proposed closing was posted on the property, and the Resolution of Intent and notice of public hearing was advertised four times in the legal notice section of a local newspaper.

At 6:30 p.m., the public hearing was opened by Mayor Volk in accordance with North Carolina General Statutes by notice published in the Hendersonville Times-News.

There were no citizen comments. The public hearing was closed at 6:31 p.m.
There were no comments by Council.

Council Member Jennifer Hensley moved Council resolve to adopt the order to permanently close a portion of an unopened and unimproved right-of-way for Sixth Avenue East as petitioned by the Hendersonville Housing Authority for the Housing and Urban Development Grant. A unanimous vote of the Council followed. Motion carried.

ORDER # 20-0546

ORDER TO PERMANENTLY CLOSE A PORTION OF AN UNOPENED AND UNIMPROVED
RIGHT-OF-WAY FOR SIXTH AVENUE EAST
(Petition by Hendersonville Housing Authority)

NORTH CAROLINA
HENDERSON COUNTY
TO WHOM IT MAY CONCERN:

WHEREAS, North Carolina General Statue Section §160A-299 authorizes a city council to permanently close any street or public alley way within its corporate limits or area of extraterritorial jurisdiction and provides a procedure for the closing of such streets or alleyways; and

WHEREAS, Hendersonville Housing Authority has petitioned the City of Hendersonville to close a portion of the Right-of -Way for Sixth Avenue East; and

WHEREAS, on the second day of April 2020, the Hendersonville City Council adopted a resolution expressing the intention of the municipality to close portions of these streets and setting the fourth day of June 2020, as the date of a public hearing regarding such closure; and

WHEREAS, the aforementioned resolution has been published once a week for four successive weeks prior to the public hearing in the Hendersonville Times News (a newspaper of general and regular circulation in Hendersonville and Henderson County) and a copy thereof has been sent by certified mail to all owners of property adjoining the street as shown on the county tax records; and

WHEREAS, notice of the closings and of the public hearing has been posted in at least two places along the streets; and

WHEREAS, a public hearing was held in conformance with the aforementioned public notice on the fourth day of June 2020.

NOW, THEREFORE, the City Council of the City of Hendersonville does hereby make the following findings of fact:

1. The closing of the right-of-way hereafter described are not contrary to the public interest.
2. No individual owning property in the vicinity of the alley or in the subdivision in which it is located would be deprived by the closing of such right-of-way of reasonable means of ingress and egress to his property.

IN CONSIDERATION THEREOF, IT IS HEREBY ORDERED:

1. The following portions of streets are permanently closed and no longer existent as of the effective date of this order:

BEGINNING AT A #4 REBAR WITH "MCABEE" CAP SET IN THE INTERSECTION OF THE NCDOT RIGHT OF WAY SHOWN IN PLANS FOR PROJECT 8.1834101 AND THE SOUTH MARGIN OF 6TH AVENUE EAST; THENCE WITH THE EAST MARGIN OF SAID NCDOT RIGHT OF WAY N 06°21'33" E A DISTANCE OF 30.25' TO A CALCULATED POINT IN THE NORTH MARGIN OF 6TH AVENUE EAST; THENCE WITH THE NORTH MARGIN OF 6TH AVENUE EAST THE FOLLOWING TWO CALLS N 74°39'41" E A DISTANCE OF 191.15' TO A CALCULATED POINT; THENCE N 75°42'01" E A DISTANCE OF 57.33' TO A CALCULATED POINT AT THE INTERSECTION OF THE NORTH MARGIN FOR 6TH AVENUE EAST AND THE EAST MARGIN FOR WALNUT STREET; THENCE WITH THE EAST MARGIN FOR WALNUT STREET THE FOLLOWING TWO CALLS S 39°26'19" E A DISTANCE OF 24.00' TO A CALCULATED POINT; THENCE S 11°04'07" E A DISTANCE OF 330.85' TO A CALCULATED POINT AT THE INTERSECTION OF THE EAST MARGIN FOR WALNUT STREET AND THE NORTH MARGIN FOR 5TH AVENUE EAST; THENCE WITH THE NORTH MARGIN FOR 5TH AVENUE EAST S 62°36'46" W A DISTANCE OF 31.66' TO A CALCULATED POINT AT THE INTERSECTION OF THE NORTH MARGIN FOR 5TH AVENUE EAST AND THE WEST MARGIN OF WALNUT STREET; THENCE WITH THE WEST MARGIN FOR WALNUT STREET N 11°00'15" W A DISTANCE OF 330.65' TO A CALCULATED POINT AT THE INTERSECTION OF THE WEST MARGIN OF WALNUT STREET AND THE SOUTH MARGIN OF 6TH AVENUE EAST; THENCE WITH THE SOUTHERN MARGIN FOR 6TH AVENUE EAST S 75°03'45" W A DISTANCE OF 238.85' TO THE POINT AND PLACE OF BEGINNING AND CONTAINING 0.400 ACRES, 17,403 SQ.FT. AND BEING THE HISTORIC LOCATION OF 6TH AVENUE EAST AND WALNUT STREET.

2. The City Clerk shall forthwith cause a certified copy of this order to be filed in the Office of the

Register of Deeds of Henderson County.

This order shall take effect the fourth day of June
2020.

Barbara G. Volk, Mayor, City of
Hendersonville

ATTEST:
Angela L. Reece, City Clerk
Approved as to form:
Samuel H. Fritschner, City Attorney

3. Consideration of the Purchase of Holbert Property

City Attorney Sam Fritschner discussed items 11 and 11A (adjacent properties) stating the City Engineering Department is interested in acquiring the properties to extend the Clear Creek sewer line which also includes an extension to the greenway system. Attorney Fritschner stated the Holbert property is 22 acres, largely lies within the flood plain, and has no buildings on it. Attorney Fritschner stated the negotiated price is \$70,000. Attorney Fritschner stated the Kelly-Orr property is smaller but has a building on it so the price per acre is more but said he feels it is fair at \$30,000 negotiated.

There were no comments by Council.

Council Member Jerry Smith moved Council resolve to approve the resolution authorizing the City Manager to purchase the Holbert property for \$70,000 as recommended by the City Engineer. A unanimous vote of the Council followed. Motion carried.

RESOLUTION # **20-0547**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE CERTAIN REAL PROPERTY IN HENDERSON COUNTY

WHEREAS the City Council finds it in the best interest of the City of Hendersonville to extend and improve certain sewer lines, and

WHEREAS the Council further desires to purchase certain real property designated as PIN 9569-89-2575 for the purpose of extending and improving sewer service, and for extending the City's greenway system,

WHEREAS the city staff has provisionally agreed with the owner of the said real property that \$70,000.00 is a fair price for purchase of the said property, and

NOW, THEREFORE, BE IT RESOLVED that the city manager be and he is hereby authorized and directed to execute an option contract with the owner of the said tracts for the sum of \$70,000.00, and with such additional terms as the city manager in consultation with the city attorney finds just and reasonable.

Adopted this fourth day of June 2020.

Barbara G. Volk, Mayor, City of
Hendersonville

ATTEST:
Angela L. Reece, City Clerk

A. Consideration of the Purchase of Kelly-Orr Property

There were no comments by Council.

Council Member Jerry Smith moved Council resolve to approve the resolution authorizing the City Manager to purchase the Kelly-Orr property for \$30,000 as recommended by the City Engineer. A unanimous vote of the Council followed. Motion carried.

RESOLUTION # 20-0548**A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE CERTAIN REAL PROPERTY IN HENDERSON COUNTY**

WHEREAS the City Council finds it in the best interest of the City of Hendersonville to extend and improve certain sewer lines, and

WHEREAS the Council further desires to purchase certain real property designated as PIN 9569-99-1449 for the purpose of extending and improving sewer service, and for extending the City's greenway system,

WHEREAS the city staff has provisionally agreed with the owner of the said real property that \$30,000.00 is a fair price for purchase of the said property, and

NOW, THEREFORE, BE IT RESOLVED that the city manager be and he is hereby authorized and directed to execute an option contract with the owner of the said tracts for the sum of \$30,000.00, and with such additional terms as the city manager in consultation with the city attorney finds just and reasonable.

Adopted this fourth day of June 2020.

Barbara Volk
Mayor, City of Hendersonville
ATTEST:
Angela L. Reece, City Clerk

4. Consideration of the Purchase of the Jackson Property

City Manager John Connet addressed Council stating the City has an option to purchase property from Frank B. Jackson for the construction of a parking deck at the corner of 5th Avenue and Church Street. Manager Connet stated staff is requesting approval to purchase the Jackson Property on or before July 4, 2020 for a total cost of \$1,150,000. Manager Connet stated an additional parcel will be presented to Council for purchase around December 1, 2020 as long as the project continues moving forward.

There were no comments by Council.

Council Member Jeff Miller moved Council resolve to approve the resolution authorizing the City Manager to purchase the Kelly-Orr property for \$1,150,000. A unanimous vote of the Council followed. Motion carried.

RESOLUTION # 20-0549**A RESOLUTION AUTHORIZING THE CITY MANAGER TO PURCHASE CERTAIN REAL PROPERTY IN HENDERSON COUNTY**

WHEREAS the City Council is considering purchasing certain real property between Wall and Church Streets on the South Side of Fifth Avenue, PINs 9568-78-5480 and 9568-78-5391, for the construction of a parking garage, and

WHEREAS the city manager has provisionally agreed with the owner of the said real property that \$1,150,000.00 is a fair price for purchase of the said property, and

WHEREAS the City Council finds \$1,150,000.00 to be a fair and equitable price for the real property,

NOW, THEREFORE, BE IT RESOLVED that the city manager be and he is hereby authorized and directed to execute an option contract with the owner of the said tracts for the sum of \$1,150,000.00, including sums already paid on option contracts, and with such additional terms as the city manager in consultation with the city attorney finds just and reasonable.

Adopted this fourth day of June 2020.

Barbara Volk
Mayor, City of Hendersonville

ATTEST:
Angela L. Reece, City Clerk

5. Consideration of a Request of the Chamber of Commerce

Henderson County Chamber of Commerce President Bob Williford addressed City Council presenting the Shop & Dine campaign. Mr. Williford stated the goal is to encourage everyone to shop and dine locally to support local businesses and economy. Mr. Williford stated the Chamber is also putting an extra emphasis on safely reopening Hendersonville businesses to encourage more consumer confidence. Mr. Williford stated the Chamber is requesting \$5,000 to aid in supporting the campaign and said Henderson County and Laurel Park have approved similar funding requests. The entire campaign is estimated to cost about \$25,000 and other donors have been approached. Council Member Jerry Smith clarified this campaign is for all the businesses in Henderson County.

Council Member Lyndsey Simpson moved Council resolve to allocate \$5,000 to the Henderson County Chamber of Commerce's Shop and Dine advertising campaign. A unanimous vote of the Council followed. Motion carried.

6. Consideration of Adoption of a Bond Order Authorizing the Issuance of a Short-Term Interim Financing Contract with Home Trust Bank for the new Police Headquarters

Budget Analyst Adam Murr addressed City Council recalling prior direction to staff at the May 7, 2020 regular meeting to work with financial advisors, bond counsel, trustee and rate consultants to seek Local Government Commission (LGC) approval for Interim Financing on a new Police Department Headquarters. Mr. Murr stated the bond amount is recommended with a not to exceed amount of \$11,500,000. He stated the Bond Order will authorize the approval, execution, and delivery of various documents in connections with the issuance. Mr. Murr stated the Interim Financing is expected to be discharged upon completion of the construction of the Police Department Headquarters Project and said upon construction completion, the City will enter into an installment financing contract with the United States Department of Agriculture (USDA) for long-term financing.

There were no comments by Council.

Council Member Jennifer Hensley moved Council resolve to adopt the Bond Order authorizing the issuance of a short-term Interim Financing Contract with Home Trust Bank not to exceed \$11,500,000 at an annual interest rate of 1.79%. A unanimous vote of the Council followed. Motion carried.

Council Member Jennifer Hensley moved Council further resolve to authorize the City Manager, or designee, to execute the contract and associated transactions with the Contract. A unanimous vote of the Council followed. Motion carried.

RESOLUTION # 20-0550

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA APPROVING AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the City of Hendersonville, North Carolina (the "City") is a municipal corporation validly existing under the constitution, statutes and laws of the State of North Carolina (the "State");

WHEREAS, the City has the power, pursuant to the General Statutes of North Carolina, to (1) purchase real and personal property, (2) enter into installment contracts to finance the purchase or improvement of real and personal property used, or to be used, for public purposes, and (3) grant a security interest in some or all of the property purchased or improved to secure repayment of the purchase price;

WHEREAS, the City Council of the City (the "City Council") has determined that it is in the best interest of the City to (1) enter into an installment financing contract (the "Contract") with HomeTrust Bank (the "Lender") in order to obtain funds to pay the capital costs of a new police headquarters (the "Project") and (2) in order to provide security for the City's obligations under the Contract, grant to the Lender a security interest under a deed of trust, security agreement and fixture filing (the "Deed of Trust") in the City's fee simple interest in the sites where the Project is or will be located, together with all improvements and fixtures located thereon, as the Lender may require;

WHEREAS, the City Council conducted a public hearing with respect to the Project on May 7, 2020, to receive public comments on the Projects, the Contract and the Deed of Trust and accepted written comments from the public for a period of up to at least 24 hours after the public hearing;

WHEREAS, the City has filed an application with the Local Government Commission of North Carolina (the “LGC”) for approval of the LGC with respect to the City entering into the Contract in an aggregate principal amount not to exceed \$11,500,000;

WHEREAS, the City expects to discharge the Contract upon completion of the construction of the Project, at which time the City will enter into an installment financing with the United States Department of Agriculture, Rural Development for long-term financing of the Project;

WHEREAS, there has been made available to the City Council the form of the Contract and the Deed of Trust which the City proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financing at an interest rate specified in the Contract and in the bid summary provided to the City Council; and

WHEREAS, it appears that the Contract and the Deed of Trust (collectively, the “Instruments”) are in appropriate form and are the appropriate instruments for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA, AS FOLLOWS:

Section 1. ***Authorization to Negotiate, Execute and Deliver the Instruments.*** The City hereby approves the financing of the Project in accordance with the terms of the Instruments which will be valid, legal and binding obligations of the City in accordance with their terms. The City hereby approves the amount advanced by the Lender to the City pursuant to the Contract in an aggregate principal amount not to exceed \$11,500,000 at an interest rate of 1.79% per annum, such amount to be repaid by the City to the Lender as provided in the Instruments. The Instruments are in all respects authorized and approved, and the City Manager, the Assistant City Manager, the Finance Officer, the City Attorney and the City Clerk, including anyone serving as such in an acting or interim capacity, or their respective designees (the “*Authorized Officers*”), are authorized, empowered and directed to execute and deliver the Instruments for and on behalf of the City, including necessary counterparts, in substantially the form as set forth above. The execution and delivery of the Instruments by the Authorized Officers constitutes conclusive evidence of the City’s approval of any and all such deviations in such Instruments from the form and content of the Instruments made available to the City Council. From and after the execution and delivery of the Instruments, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Instruments as executed.

Section 2. ***City Representative.*** The Authorized Officers are hereby designated as the City’s Representatives to act on behalf of the City in connection with the transactions contemplated by the Instruments and are authorized to proceed with the Projects and to seek opinions as a matter of law from the City Attorney, which the City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The Authorized Officers are each hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and to take all other actions that they deem necessary to administer the Instruments and the Projects in a manner consistent with the intent of this Resolution and the Instruments. Any and all acts of the Authorized Officers may be done individually or collectively.

Section 3. ***Severability.*** If any section, phrase or provision of this Resolution is for any reason declared invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 4. ***Repealer.*** All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 5. ***Effective Date.*** This Resolution is effective on the date of its adoption.

Adopted this fourth day of June 2020.

Barbara Volk
Mayor, City of Hendersonville

ATTEST:
Angela L. Reece, City Clerk

City Manager John Connet stated staff will issue a notice to proceed on the project.

7. Reports/Comments by Mayor and City Council Members

A. Scheduling of Special Meeting to Adopt the Annual Budget Ordinance and a Closed Session for Personnel Matters

A special meeting of the City Council was scheduled for Wednesday June 24, 2020 at 4:00 p.m. in the Assembly Room of the Operations Center located at 305 Williams St. Hendersonville NC. The purpose of the meeting is to adopt the FY20-21 Annual Operating Budget and to enter into Closed Session as permitted in NCGS § 143-318.11(a)(6).

Council Member Jeff Miller asked everyone to keep in mind the anniversary of D-Day which is on June 6th.

Council Member Jerry Smith praised Communications Manager Allison Nock and staff for compiling an educational video on how to use Zoom. Mayor Volk agreed.

8. Staff Reports

Economic Development Director Lew Holloway reported on the Open Streets initiative to the City Council. Director Holloway stated staff conducted a survey of visitors and categorized the majority of feedback as visitors desiring to see additional use of the street itself. Director Holloway stated staff received 40 responses from downtown merchants and said the feedback varied but said the overall responses indicated the event was successful. Director Holloway stated 35% of respondents reported a 10-50% increase over average sales in the last two weekends and 18% of respondents reported over 50% increase over average sales in the last two weekends. Director Holloway stated 15% of respondents reported the same and 34% of respondents reported worse outcomes. When respondents were asked about having a repeat event on various intervals, 76% indicated they would like to see it again, 25% indicated preference for monthly intervals, 23% indicated preference for bimonthly intervals, and 18% indicated they did not wish to see it again. Director Holloway stated this equates to 1 in 4 respondents indicating interest in a monthly event or other interval. Director Holloway stated the overall responses indicated interests in expanded dining options as well as interests in music and activities to generate an enhanced festival feel. Responses indicated police presence was welcomed and appreciated at future events. Director Holloway stated 71% of respondents were retail merchants and 18% were restaurants. Council Member Jennifer Hensley stated she had the opportunity to participate in the event and said the vast majority of retailers she spoke with gave positive feedback on the event. Mayor Volk inquired regarding ABC laws and on premises dining and Director Holloway stated the North Carolina ABC Commission has extended authority to local elected leaders to expand alcohol sales for outdoor dining during the phased reopening. Council Member Jennifer Hensley reminded everyone that HB536 also expands outdoor dining and said the bill is circulating through the legislature at this time. Council Member Jerry Smith inquired of any potential issues associated with having the event every weekend and Director Holloway stated staff is currently assessing the viability of this as well as repeating the event on the first weekend of the month. Director Holloway stated he feels staff can achieve a great deal of buy in from downtown merchants on a bimonthly basis which will vastly improve the experience customers are looking for in the downtown district. Director Holloway recommended continuing the event on a monthly basis beginning the weekend of July 4th. Council Members Hensley, Smith and Simpson expressed preference for holding the event on a bimonthly basis (first and third weekends). Mayor Volk inquired regarding staff resources necessary to hold this event bimonthly and Director Holloway stated the possibility of expanded on-street activities was achievable due to the cancellation of other events such as Rhythm & Blues and said staff feels like this is a role they are excited to play and to participate in. Mayor Volk indicated preference for monthly but stated she would feel comfortable with bimonthly through July. City Manager John Connet stated there is some cost and overtime associated with the Police Department if the event continues bi-monthly. Council Member Simpson stated she would prefer having the event on June 22nd to work out any additional details before the July 4th weekend and potential Phase III reopening of the State. Manager Connet clarified direction from Council to begin holding the Open Streets Events bimonthly beginning on June 20, 2020 through the first weekend in August with further discussion at the July 22, 2020 workshop meeting.

9. Appointments to Board/Commissions

City Manager John Connet presented applicants for consideration of advisory board and commission appointments.

ABC Board: Sherry Metzger resigned a term ending June 2020. ABC Board Chairman Charles Byrd recommend appointment of William Calhoun who has applied.

Council Member Jennifer Hensley nominated William Calhoun to three-year term expiring on June 30, 2023. A unanimous vote of the Council followed. Motion carried.

Board of Adjustment: The terms of Bob Ward, Kathy Watkins, and Chris Freeman will expire on June 30, 2020.

Council Member Jeff Miller nominated Bob Ward, Kathy Watkins, and Chris Freeman each to three-year terms expiring on June 30, 2023. A unanimous vote of the Council followed. Motion carried.

Downtown Advisory Committee: The terms of Carole Sitzler, Caroline Gunther, and Matt Johnes expire on June 30, 2020. Michele Sparks has served three terms and is ineligible for reappointment at this time.

Council Member Jennifer Hensley nominated Carole Sitzler, Caroline Gunther, and Matt Johnes each to three-year terms expiring on June 30, 2023. A unanimous vote of the Council followed. Motion carried.

Environmental Sustainability Board: The terms of Geri Conley, Kim Bailey, Roger Bass and Reid Barwick expire on June 30, 2020.

Council Member Jennifer Hensley nominated Geri Conley, Kim Bailey, Roger Bass and Reid Barwick each to two-year terms expiring on June 30, 2022. A unanimous vote of the Council followed. Motion carried.

Vacancies:

Tourism Development Authority: The term of Sharon Carlyle expires on June 30, 2020. Sharon Carlyle has served one term and is ineligible for reappointment at this time. No applications have been received.

Animal Services Advisory Committee: There is one vacancy for a veterinarian position.

Environmental Sustainability Board: There is one vacancy for a City representative.

Walk of Fame Steering Committee: There is one vacancy for a City representative.

10. New Business

There was no new business.

11. Closed Session as Provided under NCGS §143-318.11(a)(5) and (6) and (9)

Assistant City Manager Brian Pahle announced staff will end the Zoom meeting feed at this time and will resume after the closed session.

Council Member Jeff Miller moved Council enter Closed Session at 7:37 p.m. as provided under NCGS §143-318.11(a)(5) and (6) and (9). A unanimous vote of the Council followed. Motion carried.

Council Member Jeff Miller moved Council return to Open Session at 9:07 p.m. A unanimous vote of the Council followed. Motion carried.

There was no further business.

12. Adjourn

The meeting adjourned at 9:07 p.m. upon unanimous assent of the Council.

Barbara G. Volk, Mayor

ATTEST:

Angela L. Reece, City Clerk