



MINUTES

March 5, 2021

SPECIAL CALL MEETING OF THE CITY COUNCIL

JOINT MEETING WITH TOWN OF LAUREL PARK OFFICIALS

ZOOM - COUNCIL CHAMBERS - 2ND FLOOR, CITY HALL | 160 SIXTH AVE. E. 3:00 p.m.

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

Staff Remote Participants: City Manager John Connet, Assistant City Manager Brian Pahle,
City Attorney Angela Beeker, City Clerk Angela Reece,
Communications Manager Allison Justus, and others

Remote Participants Town of Laurel Park: Mayor J. Carey O'Cain, and Commissioners Nancy P. McKinley,
A. Paul Hansen, George W. Banta and Kristin Dunn

Staff Remote Participants Laurel Park: Town Manager Christopher Todd, Town Clerk Tamara Amin

1. CALL TO ORDER

Mayor Volk called the virtual meeting to order at 3:05 p.m. and welcomed those in attendance. A quorum was established with all members in attendance remotely via Zoom electronic software. Hendersonville Mayor Pro Tem Jerry Smith joined the meeting at 3:08 p.m. via Zoom electronic software.

2. BUSINESS ITEMS

City of Hendersonville City Manager John Connet stated the City of Hendersonville has been negotiating with the Town of Laurel Park since 2017 to consolidate water systems and said staff believes that an agreement to proceed with the merger of the two systems has been reached. Manager Connet stated decommissioning a pump station will help with operating and maintenance costs which will benefit the City as well as Laurel Park water customers. Manager Connet stated the City has completed a study through Hazen of the Laurel Park system and found it to be compatible with the City system.

Laurel Park Town Manager Christopher Todd stated the water system merger will be beneficial to the long-term success of the Laurel Park water system and will benefit their water customers. Manager Todd stated the proposed agreement provides long term financial sustainability and will reduce their water customer's bills. Manager Todd stated the City of Hendersonville has agreed to take on all the Laurel Park water customers without an additional deposit to ensure a smooth transition.

A. Consideration of Contract of Purchase and Interlocal Cooperation with the Town of Laurel Park - *John F. Connet, City Manager*

City of Hendersonville City Attorney Angela S. Beeker discussed key points of the purchase agreement stating the system will be purchased for \$1.00 and said the City of Hendersonville will perform upgrades to the system. Attorney Beeker clarified real property of Laurel Park (including buildings) will remain the property and under control of Laurel Park. Attorney Beeker stated the interior of the buildings will be controlled and maintained by the City of Hendersonville to maintain and upgrade equipment within. Attorney Beeker stated the City of Hendersonville will be granted an easement for the land underneath the building and said if an easement is left unused after three consecutive months then the Town of Laurel Park may terminate those easements. Attorney Beeker stated the City of Hendersonville and Town of Laurel Park will share easements which run across land and are owned by third parties. Attorney Beeker stated the tentative closing date of this merger is scheduled for April 1, 2021. Attorney Beeker clarified all Laurel Park water customers will become water customers of the City of Hendersonville and will pay the lowest outside rate.

Attorney Beeker further clarified that there would be no deposit for Laurel Park water customer accounts in good standing to connect to the system.

Attorney Beeker discussed the Hebron Pressure Zone project stating construction may begin after the agreement is approved with connection to the system after April 1, 2021. Attorney Beeker discussed the Fleetwood Pressure Zone Improvements stating the City of Hendersonville has committed to proceeding with the project immediately and will have 18 months with a possible 6-month extension to complete the project. Attorney Beeker stated the City of Hendersonville will make an investment of a minimum of \$1M.

City of Hendersonville City Council Member Dr. Jennifer Hensley expressed concerns of Laurel Park water customers being required to pay a deposit due to the financial impacts the COVID-19 Pandemic has had on everyone. Town of Laurel Park Manager Christopher Todd stated all of their customers are now in good standing and deposits were not an issue.

Town of Laurel Park Mayor Carey O'Cain expressed thanks and appreciation to the City of Hendersonville for continuing a long-standing cooperative relationship and stated this merger will be beneficial to Laurel Park residents now and in the future.

City of Hendersonville Mayor Barbara G. Volk expressed thanks and appreciation to everyone involved in this process. There was no further discussion.

City of Hendersonville City Council Member Dr. Jennifer Hensley moved to approve the Contract of Purchase and Interlocal Cooperation Resolution as presented. A unanimous roll call vote of the Council Members followed. Motion carried.

Town of Laurel Park Commissioner George Banta moved to approve the Contract of Purchase and Interlocal Cooperation Resolution as presented. A unanimous roll call vote of the Council Members followed. Motion carried.

Resolution #R-21-16

**RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO APPROVE THE
CONTRACT OF PURCHASE AND INTERLOCAL COOPERATION WITH THE TOWN OF
LAUREL PARK**

WHEREAS, the City of Hendersonville currently owns and operates a water distribution system that serves approximately 30,000 customers; and

WHEREAS, the Town of Laurel Park currently owns and operates a water distribution system that serves approximately 845 customers; and

WHEREAS, the City of Hendersonville and Town of Laurel Park have reached an agreement that the sale of Laurel Park Water Distribution System to the City of Hendersonville is mutually beneficial; and

WHEREAS, the City of Hendersonville utility customers will benefit from the purchase and the residents of the Town of Laurel Park will benefit from the sale.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that the Contract of Purchase and Interlocal Cooperation with the Town of Laurel Park as presented is hereby approved.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of March 2021.

/s/Barbara G. Volk, Mayor

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

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

3. ADJOURN

There being no further business, the meeting was adjourned at 3:26 p.m. upon unanimous assent of the Council.

Barbara G. Volk, Mayor

ATTEST:

Angela L. Reece, City Clerk