



CITY OF HENDERSONVILLE
WATER SEWER ADVISORY COUNCIL
City Hall 2nd Floor Chambers | 160 Sixth Ave. E. | Hendersonville NC 28792
Monday, April 26, 2021 – 6:00 PM

AGENDA

1. **CALL TO ORDER**
2. **PUBLIC COMMENT**
3. **ORGANIZATIONAL MEETING**
 - A. Selection of Chair, Vice Chair
 - B. Annual Schedule of Meetings 2021-22
4. **APPROVAL OF MINUTES**
 - A. July 27, 2020 Minutes
5. **OLD BUSINESS**
6. **NEW BUSINESS**
 - A. Recommendation of Updated Utility Assessment Policy – *Drew Finley, Lead for North Carolina Fellow*
 - B. Hendersonville Water and Sewer Strategic Plan Development – *Warren Miller, Facilitator*
7. **STAKEHOLDER COMMENTS**
8. **ADJOURNMENT**

The City of Hendersonville is committed to providing accessible facilities, programs and services for all people in compliance with the Americans with Disabilities Act (ADA). Should you need assistance or an accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.

NOTICE

City of Hendersonville Business Advisory Committee | 160 Sixth Avenue East Hendersonville, NC 28792

CITY OF HENDERSONVILLE

Water & Sewer Advisory Council

REGULAR MEETINGS - **NOTICE OF REMOTE PARTICIPATION**

The following Regular Meetings of the City of Hendersonville **Water & Sewer Advisory Council** are held **Quarterly on the fourth Monday of July, October, January, and April at 6:00 p.m.** in the Assembly Room of the City Operations Building located at 305 Williams St. Hendersonville NC. The regular meetings will be conducted in person; however due to COVID restrictions, any regular meeting may be conducted electronically. Instructions on how the public can view and participate electronically are below.

The following Water & Sewer Advisory Council meetings have been scheduled for 2021-2022.

July 26, 2021
October 25, 2021
January 24, 2022

April 25, 2022
July 25, 2022
October 24, 2022

Instructions to join the Zoom meeting will be available on the City's website in the calendar event by visiting <https://www.hendersonvillenc.gov/events-calendar> and are as follows:

Join Zoom Meeting

<https://zoom.us/j/94039648313?pwd=aWVuV2hIOXlFdm5CcWt0ZWwzUUJlUT09>

Meeting ID: 996 5416 1961

Passcode: 934049

One tap mobile

+13126266799,,94039648313#,,, *966063# US (Chicago)

+16465588656,,94039648313#,,, *966063# US (New York)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 996 5416 1961

Passcode: 934049

Find your local number: <https://zoom.us/j/aUQVFw0rm>

Meetings are open to the public.

Chairman

A Water and Sewer Advisory Council is a requirement of the 2002 Mud Creek Sewer District Purchase and Interlocal Cooperation and Settlement Agreement with Henderson County.

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Posted 04/27/2021

<https://www.hendersonvillenc.gov>



Water Sewer Advisory Committee

July 27, 2020

MEETING MINUTES

ASSEMBLY ROOM – OPERATIONS CENTER | 305 WILLIAMS ST.

Present: Hendersonville City Council Member & Vice Chairman Jeff Miller, Village of Flat Rock Council Member David Dethero, City of Saluda Council Member Stan Walker, Partnership for Economic Development Representative Chris Hykin

Participating Electronically: Town of Fletcher Council Member Shelia Franklin, Town of Laurel Park Council Member Paul Hansen

Absent: County Commissioner & Chairman Bill Lapsley; Chamber of Commerce Representative Blake Kehoe, Town of Mills River Council Member Roger Snyder, City of Henderson County Water/Sewer Customer Representative Ted Bedingfield, Mills River Council Member Roger Snyder

Staff Present: City Manager John F. Connet, Assistant City Manager Brian Pahle, City Clerk Angela Reece, Communications Manager Allison Nock, City Engineer Brent Detwiler, Utilities Director Lee Smith, Utilities Engineer Adam Steurer

Special Guest: Representative Chuck McGrady

Others: Mills River Town Manager Daniel Cobb, County Engineer Marcus Jones, and Larry Rogers - Partnership for Economic Progress, Andrew Riddle

Call to Order

The meeting was called to order at 6:00 p.m.

Public Comment

The meeting was advertised and presented on FaceBook Live as well as Zoom. There were no public comments.

Adam Steurer, Utilities Engineer presented updates along with Brent Detwiler regarding ongoing water and sewer projects. Project notes have been provided by City Engineer Detwiler as follows:

Update on Halfway Tree Mobile Home Park Sewer Extension

- Private installation of 5,200 LF of 8-inch sanitary sewer to serve ~150 residents of a mobile home park
- Public health project to replace failing septic system and a coordinated effort between City, County, NC DEQ and private owner of Half Way Tree

- Schedule:
- Started June 2020, estimated completion late 2020, 5% complete

Sanitary Sewer Inflow and Infiltration Reduction Projects

- I/I Reduction Task Force
- Basin 5 Micromonitoring
- Basin 6 Micromonitoring
- WWTP Master Plan
- Clear Creek Interceptor Replacement
- Mud Creek Interceptor Replacement

Water System Capacity and Capital Project Improvements

Basin 5 Micromonitoring - CCTV

Basin 5 Micromonitoring

- Deficiencies found
- Prioritize and perform repairs

Basin 6 Micromonitoring

WWTP Master Plan

- Plot course of improvements/expansions to 2040
- Condition assessment of existing equipment
- Evaluate each treatment process
- Capacity
- Redundancy
- Expansion
- CIP development/prioritization to 2040

Clear Creek Interceptor Replacement

- Summary:
- Installation of approximately 3,000 LF of 30-inch sanitary sewer along Clear Creek to replace existing lines that have capacity issues/SSOs
- Schedule:
- Construction Fall 2020
- Estimated Cost:
- Approximately \$2 million

Mud Creek Interceptor Replacement

- Summary:
- Capacity Issues – SSOs
- Existing pipe ~60 years old
- 6,800 feet – 36-inch

- 3,200 feet – 24-inch
- Schedule:
- In design
- Bid late 2021
- Estimated Cost:
- Approximately \$8.6 million

Projects Under Construction

Kanuga Park Sugar Hollow Water Interconnection

- Summary:
- Installation of approximately 1,200 LF of 6-inch water line along Old Kanuga Road
- Project to increase pressures for customers on existing water distribution system
- Schedule:
- Recently completed
- Estimated Cost:
- Approximately \$100,000

US 25 and Highland Square Sanitary Sewer Improvements

- Summary:
- Installation of approximately 900 LF of sanitary sewer to replace existing lines that had met the end of their useful lives
- Schedule:
- Recently completed, other than some final pavement restoration
- Estimated Cost:
- Approximately \$350,000

Ladson Road Water Improvements

- Summary:
- Installation of 16-inch water line along Ladson Road to help provide fire flows and pressure for large greenhouse project in Mills River
- Water line was installed by City forces with a \$100,000 contribution by Henderson County
- Schedule:
- Recently completed, other than some final pavement restoration
- Estimated Cost:
- Approximately \$250,000

South Oak St/Gravel St (Water and Sewer Improvements)

- Summary:
- Installation of approximately 500 LF of water line and 300 LF of sanitary sewer
- Water and sewer being installed by City forces as part of a joint project with Housing Assistance
- Schedule:
- Nearly complete, only final connections, testing and paving left

Etowah Area Water Improvements Project

- Summary:
- 15,000 LF of 12-inch water with booster pump station and 0.5 MG water storage tank
- Boost pressures and flows in Etowah area.
- Eliminate existing elevated storage tank and three hydropneumatic pump stations
- Schedule:
- Started October 2019, estimated completion April 2021, 40% complete
- Estimated Cost:
- Approximately \$8M

Northside Water Improvements Project

- Summary:
- Construct booster pump station and 1.0 MG water storage tank at higher elevation, demolish existing storage tank
- Increase pressures and flows in Fletcher area.
- Schedule:
- Started June 2020, estimated completion May 2021, 5% complete
- Estimated Cost:
- Approximately \$5.4M, State Reserve Project (SRP) funding

Multi-area Streambank Restoration Project

- Summary:
- Restoring approximately 13,000 LF of streambanks to protect existing infrastructure while improving stream health and water quality.
- This will decrease the possibility of clean water entering the sanitary sewer system and also reduce the likelihood of a future failure of sewer piping or manholes, which would lead to raw sewage entering streams.
- NC DEQ is nominating this project for the [US EPA 2020 PISCES Award](#)
- Schedule:
- Started August 2019, estimated completion November 2020, 50% complete
- Estimated Cost:
- Approximately \$3.0M, State Revolving Fund (SRF) project funding

NCDOT Shepherd/Erkwood Roundabout (Water and Sewer Improvements)

- Summary:
- Relocation and installation of approximately 1,300 LF of water line and approximately 600 LF of sanitary sewer
- Schedule:
- Started summer 2019, nearly complete (only punchlist items remain)
- Estimated Cost:
- Approximately \$300,000

NCDOT I-26 Project (Water and Sewer Improvements)

- Summary:

- Relocation and installation of approximately 14,000 LF of water line (varying diameters) and approximately 450 LF of 30-inch sewer along Clear Creek
- Includes many components of Water System and Sanitary Sewer System Master Plans
- Schedule:
- Started May 2020, estimated completion mid-2021, 5% complete (road project completion ~2024)
- Estimated Cost:
- Approximately \$4.0M

NCDOT Old Airport Road Project (Water Improvements)

- Summary:
- Relocation and installation of approximately 5,500 LF of water line (varying diameters)
- Water improvements identified in Water System Master Plan
- Will increase pressures in northern Fletcher (in conjunction with Northside project)
- Schedule:
- Started spring 2019, estimated completion early 2021, 75% complete water
- Estimated Cost:
- Approximately \$700,000
- Projects Under Design

French Broad River Intake:

- Installation of a new intake and pump station along the French Broad River to provide a more drought tolerant water supply.
- Anticipate bidding early 2021 with construction complete mid 2022
- Estimated cost approximately \$15M, SRF funding
- Ewart Hill Reservoir Rehabilitation:
- Installation of liner system in one of the 5M gallon reservoirs to address persistent leaking
- Bid late 2020 with construction complete mid 2021
- Estimated cost approximately \$500,000

Projects Under Design

Hebron Water Pressure Zone Improvements:

- Installation of ~1,500 feet of 6-inch and 8-inch water and many valves to provide increased pressure and fire flow for existing customers. Abandon existing water pump station. These water improvements were identified in Water System Master Plan.
- Anticipate bidding summer 2020 with construction complete late 2020
- Estimated cost approximately \$600,000

Ashe/4th Water and Sewer Improvements:

- Replacement of ~5,500 feet of water

- Replacement/Rehabilitation of ~8,300 feet of sewer
- Bidding Spring 2021
- Estimated cost approximately \$2.6 million

Church & King Water and Sewer Improvements:

- Replacement of ~12,000 feet of water
- Replacement/Rehabilitation of ~15,000 feet of sewer
- Bidding late 2020/early 2021
- Estimated cost approximately \$7-8M

7th Avenue Water & Sewer Improvements:

- Replacement of ~2,000 feet of water
- Replacement of ~500 feet of sewer
- Bidding fall 2020
- Estimated Cost approximately \$200,000

Stakeholder Updates/Questions

The Committee unanimously selected Steve Dozier to serve as Chairman.

Steve Dozier stated the water service application is cumbersome for new customers and asked staff to review it. Members discussed the connection of Blue Ridge Fire Department to Hendersonville sewer.

City Engineer Brent Detwiler advised the Multi-area-Streambank Restoration Project at Patton Park has been nominated by NCDEQ for a national award. Representative McGrady stated this was a very good use of State Revolving Funds and commended city staff on the project.

Adjourn

Future meetings are scheduled for October 26, 2020; January 25, 2021; April 26, 2021; and July 26, 2021

The meeting adjourned at 7:13 p.m. upon unanimous assent of the Committee.

Chair

ATTEST:

Angela L. Reece, City Clerk



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: John Connet **MEETING DATE:** 4/26/2024

AGENDA SECTION: NEW BUSINESS **DEPARTMENT:** Water and Sewer

TITLE OF ITEM: Recommendation of Updated Utility Assessment Policy – *Drew Finley, Lead for North Carolina Fellow*

SUGGESTED MOTION(S):

I move that the Water and Sewer Advisory Board recommend that the Hendersonville City Council adopt the Updated Utility Assessment Policy.

SUMMARY:

Drew Finley has presented the Updated Utility Assessment Policy at the past two Advisory Council meetings. At the last meeting, Mr. McGrady requested that we add a statement in the policy regarding the notification of governing bodies when extending utilities in their jurisdictions. Based on this request, we added a reference to the City Council's resolution regarding the extending of utilities in other political jurisdictions. Staff is now requesting that the Advisory Council recommend the approval of this policy.

BUDGET IMPACT: \$NA

Is this expenditure approved in the current fiscal year budget?

If no, describe how it will be funded.

ATTACHMENTS:

Updated Utility Assessment Policy

UTILITY ASSESSMENT POLICY AND PROCEDURE FOR SEWER AND WATER IMPROVEMENTS

Introduction and Purpose

The City of Hendersonville (“City”) desires to provide a fiscally responsible method for area residents to connect to the City’s public sewer and water systems. Through its sewer master planning efforts, the City identified various areas adjacent to the existing sewer service area that have the potential to convert from septic systems to public sewer. The City also conducted water master planning efforts that identified areas that have the potential to be served through extensions of the City’s water system. The purpose of this utility assessment policy is to provide an organized and coordinated process by which existing area residents may petition the City to receive public sewer and/or water service through an extension of the City’s water or sewer system and pay for these extensions through special assessments.

Scope

This policy applies to all property-owner driven requests to extend the sewer and/or water system owned and operated by the City of Hendersonville where the requested extension is proposed to be paid for by special assessments. This policy shall only be applied to existing, developed, residential areas and shall not be applied to new commercial, industrial, or residential development. These requests shall be in the form of a written petition submitted to the City in accordance with the process and procedure outlined herein.

Authority

This policy is adopted by the City Council of the City of Hendersonville in accordance with the authority granted by North Carolina General Statutes Chapter 160A Article 10 (“Special Assessments”) and Sec. 52-89 et seq of the City of Hendersonville Code of Ordinances. This policy outlines the procedure for the City’s consideration and approval of utility infrastructure improvements to be funded in whole or in part by special assessments as is hereinafter provided. Nothing herein shall be deemed to limit or restrict any other available options to proceed with utility infrastructure improvements as are now or may be prescribed by the general laws of the State.

PROCESS AND PROCEDURE

Phase I – Petition

1. Area property owner(s) expressing interest in extending the sewer and/or water system owned and operated by the City shall first contact the City and communicate such interest to appropriate City staff along with any additional background

information that may assist in identifying the level of interest present in the given area.

2. After receiving such notification of interest, City staff shall conduct a preliminary review of the feasibility of the proposed project and determine the project area including the properties within such area with cooperation from neighboring local government jurisdictions as applicable.
3. After conducting a feasibility review of the proposed project, City staff shall send interested property owner(s) a map of the potential project area along with a rough cost estimate (including a single-family equivalent assessment amount) and petition forms to be circulated among area residents. As part of the cost estimate, City staff shall identify the recommended basis upon which assessments would be determined. The single-family equivalent assessment amount shall be calculated by City staff in accordance with the recommended basis and shall be adjusted over time based on the Construction Cost Index provided by the Engineering News-Record. Until confirmation of an assessment roll, the City reserves the right to reevaluate and alter this amount from time to time at its discretion.
4. The interested property owner(s) shall be responsible for the circulation of petition forms and may identify a “neighborhood champion” to organize and coordinate the petition distribution and collection process. All assessment amounts and project cost estimates provided by the City at this stage are preliminary and subject to change. City staff shall notify other local government jurisdictions if required based on the location of the potential project.
5. Before a water and/or sewer extension will be considered by City Council under this policy, the owners of at least 66% of the assessable properties in the proposed project area shall submit signed petitions to the City requesting that the City extend the sewer and/or water system to serve the project area. Such petitions must acknowledge that **all** property owners in the proposed project area will be required to pay the full assessment amount once the petition percentage threshold requirement has been met.
6. The signed petitions shall be submitted in form and manner acceptable to and approved by the City. Upon receipt of the signed petitions, City staff shall secure approval to make special assessments from other local government jurisdictions, if required, by interlocal agreement. Alternatively, petitioners may request annexation into a municipality.
7. City Council Resolution #20-0582, adopted October 1, 2020, and all its provisions are hereby incorporated into this policy. All official actions of the City Council pertaining to water and/or sewer extensions, whether effectuated by Ordinance, Resolution, or otherwise, shall be incorporated into this policy.

Phase II – Project

1. In accordance with the provisions stipulated in G.S. §160A-223, as amended, the City Council shall adopt a preliminary assessment resolution containing, at a minimum, the following information:
 - a. A statement that the City Council intends to undertake the requested extension(s) (the “project”).
 - b. A general description of the nature, location, and scope of the project. (Please note that the scope of the project may not be increased after adoption of the preliminary assessment resolution.)
 - c. The percentage of the total cost that will be assessed.
 - d. The proposed basis for making the assessments.
 - e. The proposed terms of payment of the assessment, either payment in full within 30 days of confirmation of the assessment roll or payment in 10 annual installments at the specified interest rate.
 - f. A statement as to which, if any, assessments will be held in abeyance and for how long.
 - g. An order setting the time and place for a public hearing on all matters covered by the preliminary assessment resolution.
2. After the adoption of the preliminary assessment resolution by the City Council, a notice describing the project and its location, and summarizing the terms of the preliminary assessment resolution shall be published in the newspaper, at least 10 days prior to the public hearing date, in the manner prescribed by G.S. §160A-224, as amended. The City shall mail this notice to all affected property owners at least 10 days prior to the public hearing date.
3. Following the publication of this notice, a public hearing as outlined in G.S. §160A-225 shall be held on the preliminary resolution.
4. After this public hearing, the City Council may approve or reject the project. If the City Council elects to approve the project, the City Council shall adopt a final assessment resolution directing City staff to undertake the project. The final assessment resolution shall, at a minimum, contain the following information:
 - a. A general description of the project.
 - b. The basis on which the special assessments will be levied. (Please note, the basis of assessment may not be changed after adoption of the final assessment resolution.)
 - c. The percentage of the project costs to be assessed. (Please note, this must be the same percentage as was stated in the preliminary assessment resolution.)

- d. The terms of payment, including the conditions under which assessments will be held in abeyance, if any. (Please note, the City may not change the terms of payment after the final assessment resolution is adopted.)
 - e. City staff shall then establish an official project budget and present a capital project ordinance to City Council for adoption.
5. After the capital project ordinance has been adopted, the City shall complete the design, permitting, bidding, and construction of the project.

Phase III – Assessment

1. After the project has been completed, City staff shall prepare a preliminary assessment roll in accordance with the provisions in G.S. §160A-227. This preliminary assessment roll shall include a map showing each property to be assessed, the basis of the assessment, the amount to be assessed against each property, the name of each property owner, and the terms of payment.
2. The preliminary assessment roll shall then be filed in the City Clerk's office where it shall be available for public inspection. The City shall notify all affected property owners when the preliminary assessment roll has been filed.
3. The City shall then hold a public hearing on the contents of the preliminary assessment roll and make any modifications to it as are appropriate. Notice of the public hearing must be published at least ten days before the date of the public hearing. The notice must provide a general description of the project and alert individuals that the preliminary assessment roll is available in the City Clerk's office for inspection. In addition, a copy of the preliminary assessment roll must be mailed to each owner of the property subject to assessment, along with the amount of the assessment against the particular property.
4. At that same public hearing and after all persons in attendance have had an opportunity to be heard, the City Council may confirm the assessment roll, annul the assessments, or modify them as allowed by law. The City Clerk shall enter the date, hour, and minute of the confirmation in the minutes. From and after the time of confirmation, the assessments shall be a lien on the property assessed of the same nature and to the same extent as the lien for county and City property taxes, according to the priorities set out in G.S. §160A-233(c).
5. Following the confirmation of the assessment roll, the City shall publish a notice in accordance with G.S. §160A-229 that the assessment roll has been confirmed and the assessment roll shall be forwarded to the City Tax Collector for collection.
6. After the publication of this notice, all affected property owners shall make the assessment payments to the City in up to 10 (ten) annual installments over time or in one lump sum payment as may be authorized by the City. If the assessments are

to be paid annually, they shall be included on the property tax bill for each assessed property for all years in which payment is due.

7. Once confirmed, assessments may be set aside in whole as allowed by N.C.G.S. § 160A-23. The assessments on an individual property may not be released or altered.



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: John Connet **MEETING DATE:** April 26, 2021

AGENDA SECTION: NEW BUSINESS **DEPARTMENT:** Administration

TITLE OF ITEM: Hendersonville Water and Sewer Strategic Plan Development – *Warren Miller, Facilitator*

SUGGESTED MOTION(S):

EnterMotionHere

SUMMARY:

Hendersonville Water and Sewer is starting a strategic planning process. Warren Miller from Fountainworks Consulting will facilitate a discussion with the Water and Sewer Advisory Council to gather feedback and input. I have include a copy of the 2016 Stakeholders Report for your review and information.

BUDGET IMPACT: \$ NA

Is this expenditure approved in the current fiscal year budget?

If no, describe how it will be funded.

ATTACHMENTS:

Agenda

2016 Stakeholders Report

City of Hendersonville

Water/Sewer Stakeholders Report



Summary Report February 2016
Prepared by Fountainworks, Inc.

The following report summarizes Hendersonville Water and Sewer initiative to explore regional cooperation in water resource management. Fountainworks Inc., a facilitation and management company was contracted to engage Hendersonville stakeholders in order to better understand their issues, priorities and end goals. This process involved a ‘listening tour’ of one-on-one interviews with its customers, interested stakeholders, and elected leaders. This summary report provides an overview of key findings and recommendations for next steps.

Key Findings

Interviews were conducted with approximately stakeholders in December 2015. The interviews included Hendersonville’s Council members, municipal customers, County officials and economic development stakeholders. A detailed listing of interviewees is included in the appendix of this report. Following summarizes the key findings from stakeholder interviews.

- Overall, the communities that Hendersonville provides water to are satisfied with the city’s services. There is not an interest in restructuring the utility among these communities.
- Mills River has an interest in exploring a different rate structure (e.g. inside rates v. outside rates).
- Other stakeholders, who are not direct customers, say that Hendersonville has been more responsive and collaborative in recent years.
- While some members of the Hendersonville City Council are satisfied with the current mission and goals of the City’s utility, others would like the City to be more intentional in working to meet the needs of all residents and businesses in the county.
- There is some concern among communities that the General Assembly would move the water system to a regional authority and this would limit their voice.
- The Board of Commissioners would like a new organizational structure for the utility – which puts control of the utility into an independent board.
- The Board of Commissioners does not support merging the City’s water system with MSD.
- There is no support among communities for merging water with Buncombe County/MSD.
- Legislators believe the Hendersonville utility is functioning fairly and as long as it continues to do so and meet the needs of everyone in the county they will they not pursue legislative changes.
- Legislators support regionalism for utilities.
- There is some question about water supply among business community – (the lack of a permanent line into the French Broad River during last drought drew attention). Communities did not express concern about water supply, noting even during drought restrictions were voluntary.
- Some business stakeholders expressed surprise and concern at the costs for a business to get a water line extension.
- There is strong interest in having a coordinated, strategic plan for future water/sewer extensions.
- Some stakeholders believe water system is a cash cow and very profitable for Hendersonville.
- Some stakeholders express concern about Hendersonville running a system where 70% of its customers don’t live in the city – and don’t have a direct voice. (E.g. Laurel Park).

Hendersonville Interview Data

Following are the summary findings from each of the stakeholder groups interviewed:

Hendersonville City Council Members

- Need to involve entire county in planning process
- Preserve water and ability to produce it, for planned growth
- Important to partner with municipal managers and business community
- Be fair, listen, work in best interest of community
- Interested in free exchange of information with our municipal customers
- If the City gives up control of its water system, it can't get it back
- As a county we've not planned from the core out
- We have supported our system and not bled it like Asheville
- Like policy of sewer = annexation
- Water shouldn't belong to city
- It's fine to charge more to outside customers
- Developers have paid for parts of the system
- Right now the utility works well, but it hasn't in the past
- We have great operation for most of county
- If authority set up so no one gets control (County)
- Water is cheap
- Want to be seen as a partner who takes care of our customers
- Distrust between county-city has gotten better
- McGill study showed it is not practical to merge system
- Hendersonville needs to look and act like a regional authority – this is important to the General Assembly
- We need to control the city's water supply
- If we become regional authority – we lose power to annex.

Mills River

- In the future, it all comes down to rates
- We don't feel strongly about getting residents on sewer. We don't have terrain for it
- Hendersonville has been responsive to economic development opportunities
- With a new legislature Asheville water will be cheaper than it has been
- We like competition between Asheville and Hendersonville
- Proceeds from Hendersonville utility go into Hendersonville general fund
- Is Hendersonville doing this to ward off General Assembly action?
- Don't like: we have residents right across from treatment plant yet pay higher fees

- Some of our residents/businesses are Asheville water customers and some are Hendersonville customers
- We keep our land standards so everyone else gets clean water. We want special consideration for this.
- Hendersonville staff good/ service excellent

Laurel Park

- We have good relationship with Hendersonville
- We don't want Hendersonville to make profit
- Need \$5-6 million for hybrid sewer system
- Having some septic failures
- Key issue we are facing; an aging system
- Hendersonville has 30% leaks
- We can keep our system going for 10 years – no change
- We need reasonable rates
- Some interest in a regional authority where we have a vote
- We have had some pressure issues but overall satisfied with water and water pressure
- Reluctant to tie into regional system with Asheville
- We are totally dependent on Hendersonville (no voice): want to provide sewer to all residents but there is a cost challenge associated with this
- Majority of our residents are not connected to sewer

Fletcher

- Overall we are satisfied with Hendersonville Water & Sewer
- Some pressure issues
- No complaints about rates
- Some businesses pay a lot to get a line
- In the past, the sewer district ran out of money. The bond dollars should have gone to our area
- We want regional sewer system
- We don't want Buncombe to run us over
- We want an interconnected water system to spread out costs. We want representation in how its run
- Major subdivisions get Hendersonville water and some are on wells
- Concerned about legislative bills affecting our destiny
- Regionalism makes sense, but who controls and how managed?
- Concerned about Cane Creek getting merged into MSD
- We have no problem with a regional system if people are treated fairly
- Why is Hendersonville doing this stakeholder engagement?

Flat Rock

- Water rates are inexpensive. It is not an issue
- We don't want to merge into a county water authority. If it isn't broken, don't fix it
- Hendersonville is well run and financially sound

Economic Development Stakeholders

- City is much improved in recent years. It is less insular
- Annexation policy causes pause for businesses looking to expand or relocate
- Consider 1-time fee for hookup instead of annexation
- Ideally, every year the business leaders and city/ county managers get in a room and look at priorities
- During past droughts there has been a shotgun approach to water constraints
- Would be concerned with a regional system and having to go through that kind of entity for projects
- Have question about water system's capacity – the last drought drew attention to it
- If city is looking to be regional, will they neglect local needs?
- Council members are business friendly
- We get grant data quickly from city
- We like being able to talk to Hendersonville Mayor and Manager. A regional system is unwieldy – prefer talking with our neighbors
- I feel this (stakeholder engagement) effort is overreaction

Henderson County Commissioners/Staff

- County residents have no voice
- Hendersonville has monopoly
- City asks County before running a line outside of city
- Water is cash cow for city
- The county needs more developable sites
- Mixed feelings about Hendersonville Water and Sewer but it has been better recently
- We don't want to get into water/sewer business
- Ideally we have a county regional authority – not merged with Asheville
- Outside residents pay higher rates
- Hendersonville lays lines based on financial benefits to them rather than strategic interests of the whole county.
- Willing to raise taxes work with the city to run water and sewer lines. City and county could split revenues (Catawba model)

Legislators

- Broader trend is to move to regional systems
- City utility has been fair
- It's important to minimize differences in rates
- If we went regional system, then Hendersonville would need to be compensated

- City makes a lot of money off of the utility
- Packing plants in southern part of county should get on sewer
- Problem was with Asheville's system, not Hendersonville
- It's not an issue if Hendersonville expands outside of county
- Need to meet the needs of everyone in county
- Hendersonville was not pulled into MSD because its neighbors are happy – sewer is not economical
- Hendersonville needs to work collaboratively with its neighbors

Hendersonville Council Priorities for Water and Sewer

At their annual retreat, Hendersonville Council members were asked to develop a mission statement and a set of value statements for Hendersonville Water and Sewer. Following are the statements developed by the Council.

City of Hendersonville Water and Sewer Mission Statement

- ❖ Operate a great utility for our customers

City of Hendersonville – Value Statements

- ❖ Our water utility exists to serve our customers
- ❖ We are committed to earning and maintaining public trust every day. We will be open, ensure access, encourage involvement and be accountable to our customers.
- ❖ We are cost conscious. We spend public funds responsibly and effectively to ensure the utility's short & long term financial strength.
- ❖ We will have the highest standards for the quality of water & effluent
- ❖ We are committed to an affordable rate – keep price down & encouraging conservation
- ❖ We are committed to protecting our environment
- ❖ We are committed to protecting the water/sewer system from hazards
- ❖ We will have access to redundancy – contingency plans
- ❖ We will achieve the best results through effective teamwork, regional partnership and customer participation.
- ❖ We are committed to proactive, comprehensive planning, to guide the future (not just current future, better for current customers) of our utility in response to the needs of our customers

Next Steps

Following are the potential next steps for Hendersonville in building regional cooperation with its customers and stakeholders

- External
 - Henderson County Water and Sewer Forum
 - Share Stakeholder Information
 - Water and Sewer needs in Henderson County
 - Discuss creation of technical (staff) review committee
 - Continue to support all economic development activities
 - Willing to discuss partnerships if we are invited
- Internal
 - Water and Sewer Master Planning
 - Construct French Broad River Intake
 - Examine expansion and connection policies to support the goals of the City Council and Utility System

Appendix A

Interviewees

The following individuals were interviewed as part of this report:

Town of Fletcher:

Mark Biberdorf, Town Manager
Bob Davy, Hugh Clark, Elected Board Representatives

Town of Laurel Park:

Alison Melnikova, Manager
Mayor J. Carey O’Cain
Commissioner Robert O. Vickery (Bob)
Commissioner Dona M. Mennella
Commissioner A. Paul Hansen
Commissioner George W. Banta

County Commissioner Interviewees:

Tommy Thompson
Charlie Messer
Bill Lapsley
Grady Hawkins
Steve Wyatt (Manager)
Amy Brantley (Assistant County manager)

Town of Mills River:

Jeff Wells, Manager
Councilman Roger Snyder

Village of Flat Rock:

Bob Staton

City of Hendersonville:

Mayor Barbara Volk
Council Member Ron Stephens
Council Member Jerry Smith
Council Member Jeff Miller

Henderson County Partnership for Economic Development:

Andrew Tate

Agriculture Henderson County

Mark Williams

Henderson County Economic and Community Development Department:
John Mitchell

Hendersonville Water and Sewer Department
Lee Smith, Brent Detwiler
Alvin Fuller Jr.

North Carolina Senator Tom Apodaca

North Carolina Representative Chuck McGrady