



MINUTES

October 28, 2026

SECOND MONTHLY MEETING OF THE CITY COUNCIL CITY OPERATIONS CENTER | 305 WILLIAMS ST. | 4:00 p.m.

Present: Mayor Barbara G. Volk, Mayor Pro Tem Dr. Jennifer Hensley, and Council Members Lyndsey Simpson, Melinda Lowrance and Gina Baxter

Staff Present: City Manager Brian Pahle, City Clerk Jill Murray, City Attorney Angela Beeker, Communications Director Allison Justus, and others.

1. CALL TO ORDER

Mayor Barbara Volk called the meeting to order at 4:00 p.m. and welcomed those in attendance. A quorum was established with all members in attendance.

2. CONSIDERATION OF AGENDA

Council Member Melinda Lowrance moved that City Council approve the agenda as presented. A unanimous vote of the Council followed. Motion carried.

3. CONSENT AGENDA

Council Member Lyndsey Simpson moved that City Council approve the consent agenda as presented. A unanimous vote of the Council followed. Motion carried.

A. Technical Corrections on Chapter 52 – Utilities of the City of Hendersonville Code of Ordinances – *Angela Beeker, City Attorney*

B. Sole Source Purchase of Axon Products – *Logan Hickey, Chief Blair Myhand, Captain Trae Laws*

C. Purchase of Fleet Vehicles for Police Department - *Logan Hickey, Chief Blair Myhand, Captain Trae Laws*

4. PRESENTATIONS

A. Proclamation - “We Are Hope” Week 2026 – *Barbara Volk, Mayor*

Mayor Volk read the proclamation aloud and presented it to Patrick Davis and other Hope Coalition staff members, as well as, representatives from various schools.

Proclamation

**Honoring the Observance of
“We Are Hope” Week in Henderson County Public Schools’
Middle & High Schools
November 9, 2026 – November 13, 2026**

WHEREAS, Substance and alcohol abuse negatively affects many areas of the brain, the liver, the heart, and other body parts and can cause adverse behavior, psychological, and social consequences; and

WHEREAS, there were more than 69,900 drug overdose deaths in the United States in 2025 and 44,564 of those deaths involved opioids; and

WHEREAS, substance and alcohol abuse continues to occur among children and youth in our society. In 2025, nearly 15.3% of youth aged 12 years or older met diagnostic criteria for a substance use disorder in the past year; and

WHEREAS, according to the 2025 National Survey on Drug Use and Health from the Substance Abuse and Mental Health Services Administration, approximately 1 in 4 youth aged 12 years or older reported illicit drug use in last year, including 129.1 million reported alcohol use, followed by 46.9 million using tobacco products, 43.8 million using marijuana, and 29.3 million vaping nicotine; and

WHEREAS, student leaders in Henderson County Public Schools’ six high schools and four middle schools have joined with local Henderson County nonprofit Hope Coalition in educating their peers on alcohol, tobacco, marijuana and prescription drug use and abuse; and

WHEREAS, students at Apple Valley Middle, Flat Rock Middle, Hendersonville Middle, Rugby Middle, East Henderson High, Innovative High School, Henderson County Career Academy, Mountain Community School, Hendersonville High, North Henderson High, and West Henderson High are pledging to be and remain substance-free.

NOW THEREFORE BE IT RESOLVED, by the City of Hendersonville City Council, that November 9th - 13th, 2026, be observed in Henderson County Public Schools’ middle and high schools as “We Are Hope” substance misuse awareness week.

Proclaimed on the 28th day of October, 2026.

B. Food Finder Map – Jenny Floyd, Assistant to the City Manager

Kris Merritt, Senior Program Officer of the Community Foundation of Henderson County pulled up the Food Finder map and showed how to navigate it. This is a free map that shows food resources near you.

[Henderson County Food Finder — Free map of food resources near you](#)

C. Water & Sewer Department Quarterly Update – Adam Steurer, Utilities Director

Utilities Director Adam Steurer gave a brief water and sewer department update and showed the following PowerPoint presentation.

Water and Sewer Department Update – October 2026

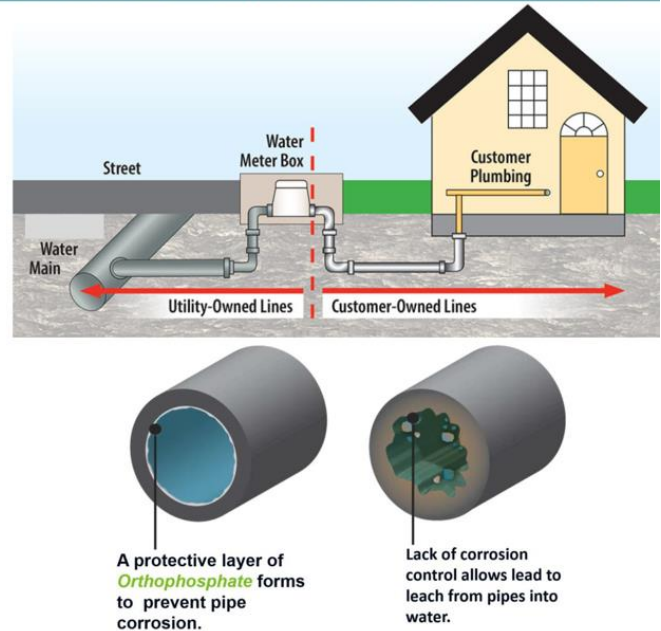
- [2026 Quarter 3 Report](#)
- Lead Service Line Investigation Update
- WWTF Expansion and Flood Mitigation Project Update



2026 3rd Quarter Report – W&S

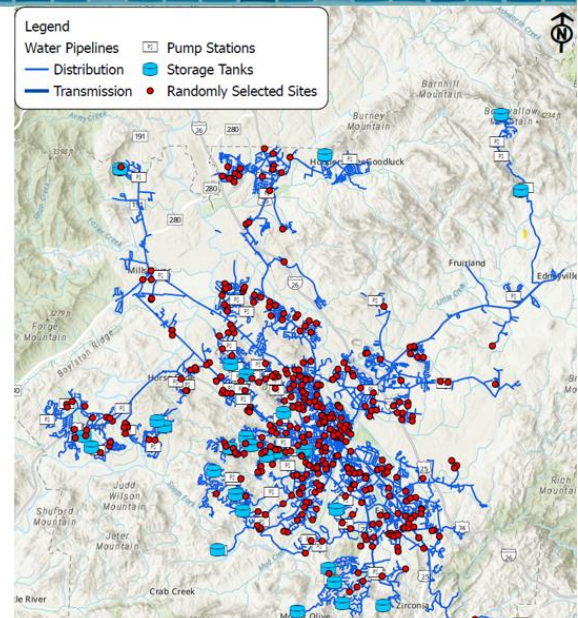
Lead Service Line Investigation - Refresher

- What is a Service Line?
- Lead is **not** present in source water
- Lead in drinking water can come from corrosion of household plumbing/fixtures that contain lead
- Corrosion control and pH adjustment protect the community
- Sampling in Water System confirms program success
- EPA Rule Revision requires utilities to inventory service line materials
- Sent customer notifications late 2024



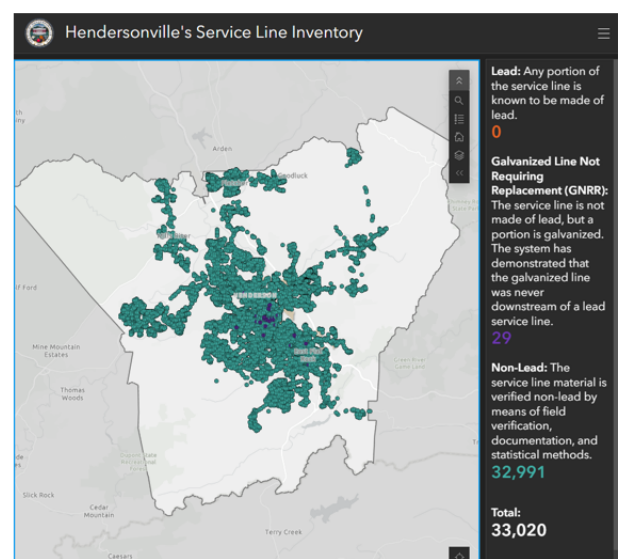
Lead Service Line Investigation - Update

- Staff have physically investigated 340 random service lines with unknown materials
 - Additionally, staff previously investigated 138 “high-likelihood sites”
- No lead services have been found
- Statistical Method in accordance with State and EPA Guidance:
 - “With 95% confidence there are fewer than 1% of service lines containing lead material”



Lead Service Line Investigation – Update cont’d

- Service Line Inventory available on the website.
- Additional resources available on the website.
- Continue corrosion control, sample system, collect service line materials during normal maintenance work.
- <https://www.hendersonvillenc.gov/water-and-sewer/customer-center/outreach-education/lead-service-lines>



Wastewater Treatment Facility Improvements

Flood Mitigation

- Elevate/Relocate/Protect
- Status: 90% Design
- Cost Estimate: \$101M

Expansion

- 4.8 mgd to 6.0 mgd
- Status: 90% Design
- Cost Estimate: \$25.1M



WWTF Project Update – Funding

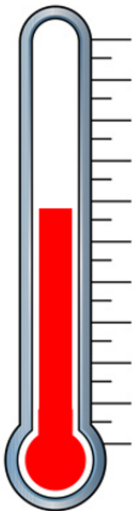
Funding Program	Funding Secured	Add'l Funding Available/Applied	Funding Terms
Insurance	\$685,000	--	Cash
FEMA – PA/FCO	--	TBD	Grant
FEMA - HMGP	--	TBD	Grant
SRF	\$35M		Loan @ 2.34% interest
SRP	\$6M		\$3M Grant, \$3M @ 2.45% interest
Helene SRF	\$9M	--	\$8M Grant, \$1M @ 0% interest
Dogwood Health Trust	\$2M	--	Grant
CDBG – DR	--	\$15M	Grant
EDA	\$20.1M	--	Grant
TOTAL	\$72.8M		\$33.8M Grants, \$39M Loans

WWTF Project Update – Funding

- Total Project Costs: \$126.1M
- Total Funding Secured: \$72.8M
 - \$33.8M Grants
 - \$39M Subsidized Loans
- **Current Funding Need: ~\$53.3M**
- Rate Model predicts loans of ~\$36.8M
 - Additional financing beyond will either:
 - Have rate impacts
 - Require reprioritization of CIP projects

Questions?

GOAL!



D. Financial Sustainability Report – Adam Murr, Budget & Evaluation Director

Budget and Evaluation Director Adam Murr gave a financial sustainability report and showed the following PowerPoint presentation.



CITY OF HENDERSONVILLE

Financial Transparency

Oct. 28, 2026



FY27 – FY29 Strategic Plan

7. Focus Area: Financial Sustainability / Transparency

7.1 Confidence in Revenue Models

→ 7.1.2 Quarterly Executive Updates to Council:

	Q1	Q2	Q3	Q4
Major Revenues	Jul.	Oct.	Jan.	Apr.
General Fund Model	Aug.	Nov.	Feb.	May
Capital Improvement	Sep.	Dec.	Mar.	Jun.

FY27 – FY29 Strategic Plan

Major Revenues (Jul. | Oct. | Jan. | Apr.)

- First Quarterly Memo
 - Jul. report focused on FY26, Q4
 - Focus on the City’s most significant revenue sources:

General Fund

- Property Tax
- Motor Vehicle Tax
- Sales Tax
- Utility Sales Taxes
- Fire Inspection Fees
- ABC Revenues

Water & Sewer Fund

- Water Sales
- Sewer Charges
- Water & Sewer Tap Fees
- Water & Sewer System Development Fees

Parking Fund

- Parking Meter Sales
- Parking Garage Sales
- Parking Permit Sales
- Parking Citation Fees

Stormwater Fund

- Stormwater Fee

Environmental Services Fund (ESF)

- Residential Sanitation Revenues
- Commercial Sanitation Revenues

FY27 – FY29 Strategic Plan

Major Revenues (Jul. | Oct. | Jan. | Apr.)

- First Quarterly Memo
 - Jul. report focused on FY26, Q4
 - Focus on the City’s most significant revenue sources:

Key Findings as of 07/30/2026
FY26 revised budget for revenues = \$64,525,057
FY26 year-to-date actuals = \$65,875,353 (+\$1,350,296, or 2.09%)

Fund	Rev. Budget	07/30 Est.	\$ Δ	% Δ
General Fund	\$29,556,655	\$30,515,587	\$958,932	3.24%
Water & Sewer	\$28,753,725	\$29,908,975	\$1,155,250	4.02%
Parking	\$1,228,250	\$1,424,663	\$193,413	15.99%
Stormwater	\$1,684,970	\$1,730,796	\$46,125	2.74%
Env. Services	\$2,408,820	\$2,348,820	-\$60,778	-2.52%

FY27 – FY29 Strategic Plan

General Fund (Aug. | Nov. | Feb. | May)

- Second Quarterly Memo
 - Aug. report focused on FY26, Q4 with a glimpse of FY27
 - Next report will focus on FY27, Q1 updates to the model
 - Key General Fund Model considerations include:
 - Financial Sustainability Scorecard
 - Historical actual fund balance
 - Future estimated fund balance
 - Operating ratio status
 - Capital ratio status
 - Debt service to expenditure ratio
 - Assessed value ratio
 - Revenues, Expenditures, and Other Financing Sources/(Uses) estimation
 - Projects and Initiatives Under Consideration
 - Total Proposed Debt Service
 - Proposed Position Additions and Other Recurring Expenditures

FY27 – FY29 Strategic Plan

General Fund (Aug. | Nov. | Feb. | May)

- Second Quarterly Memo
 - Aug. report focused on FY26, Q4 with a glimpse of FY27
 - Next report will focus on FY27, Q1 updates to the model
- Key Findings as of 08/31/2026
 - Estimated FY26 Unassigned Fund Balance = \$7,895,603, or 25.63% (policy min. = 25.0%)
 - Estimated FY26 Operating Ratio = 7.1%
 - Strong revenues available to cover regular operating expenditures
 - Estimated FY26 Capital Ratio = 0.8%
 - City is using debt financing strategy for capital, not “pay-go”
 - Estimated FY26 Debt Service to Expenditure Ratio (“D/S to Exp Ratio”) = 13.7%
 - Target D/S to Exp. Ratio is under 15.0%
 - Debt service is 13.7% of total expenditures

FY27 – FY29 Strategic Plan

Capital Improvement (Sep. Dec. | Mar. | Jun.)

- Third Quarterly Memo
 - Sep. report provided Gantt Chart and project tracking updates
 - List of reviewed projects and high-level budget authorization:

	Project Count	Budget Authorized
Helene Projects	64	\$203,590,915
All Other Projects	86	\$232,961,949
Total	150	\$436,552,864

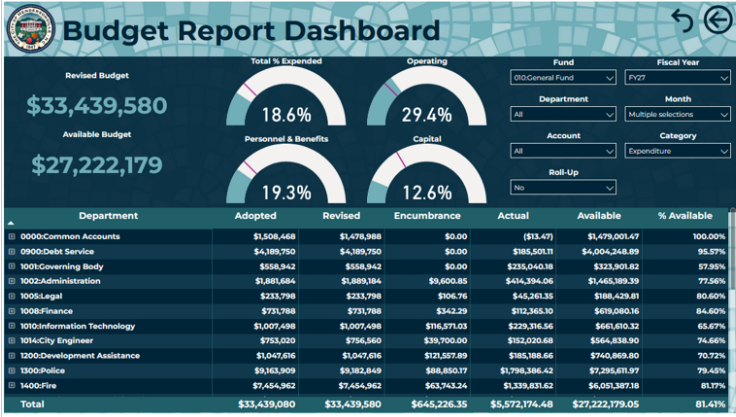
- William H. King Memorial Park
 - Clear Creek Greenway
 - Transportation General Obligation Bond
 - City Hall Improvement Projects
 - Patton and Whitmire Projects
 - Sullivan Park Improvements
 - Audible Pedestrian Signals
 - Fire Engine 9-5 Replacement (“Quint”)
 - 4th & Ashe Project
- Mills Gap Rd. Redundant Water Line
 - Biosolids Dryer
 - WWTP Flood Mitigation & Expansion
 - Water System Looping
 - Mud Creek Interceptor
 - WWTP Belt Filter Project
 - Wash Creek 06, Phase 01
 - Lower Mud Creek Phase 02

Transparency Resources

[HENDERSONVILLENC.GOV/BUDGET](https://hendersonvillenc.gov/budget)

Budget Report

The budget report dashboard provides a summary of the City's budget and actual expenditures by fund and department to the date of the latest posting of data from the Finance and Budget Office. This tool is available to help departments, staff, and public gauge how far along the City is in expending public funds approved in the budget.



Budget Report Dashboard

Fee Schedule

Project Gantt Chart

Housing Dashboard

Parking Dashboard

Organizational Chart

Career Ladder

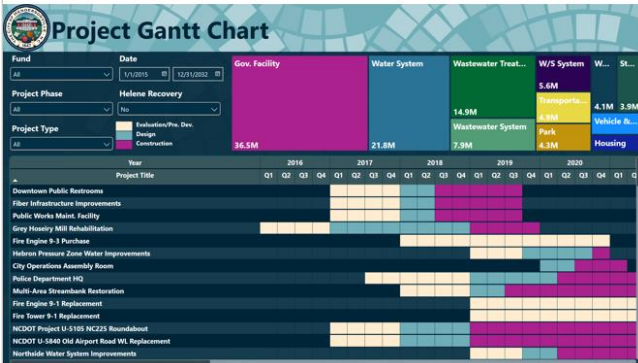
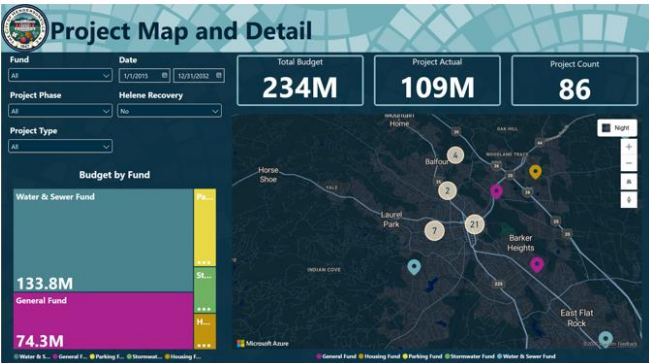
Revenue Report

Transparency Resources

[HENDERSONVILLENC.GOV/BUDGET](https://hendersonvillenc.gov/budget)

Project Gantt Chart

The interactive Project Gantt Chart provides a visual timeline of City projects and NCDOT projects involving City infrastructure, helping viewers understand project schedules and timing. A project map can be found on page 2 of the report, helping viewers understand project locations.



Transparency Resources

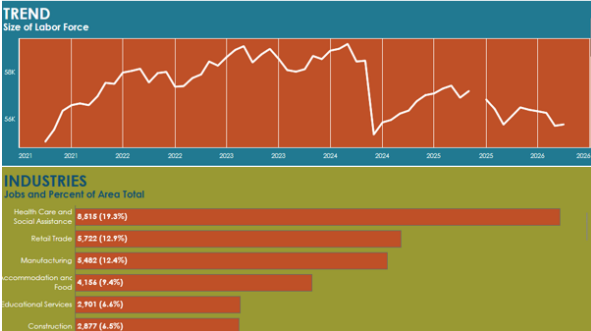
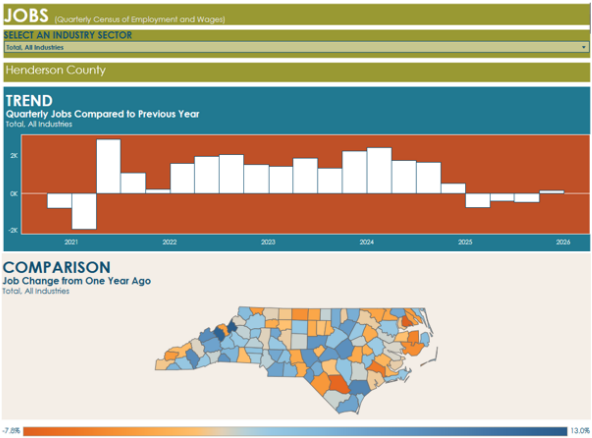
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Economic and Demographic Indicators

The North Carolina Department of Commerce, Labor and Economic Analysis Division (NC LEAD) provides timely economic and demographic data at the State, Prosperity Zone, Workforce Development Area (WDB), and County levels.

NC LEAD AREA PROFILE

Current data for Henderson County is available for review in the embedded report below.



Transparency Resources

[HENDERSONVILLE.NC.GOV/BUDGET](https://hendersonville.nc.gov/budget)

Thank You!

Questions / Comments?



5. NEW BUSINESS - None

6. CLOSED SESSION

Council Member Lyndsey Simpson moved that City Council enter closed session pursuant to NCGS § 143-318.11 (a) (1), (a)(3) and (a) (6) to prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes, to consult with the City Attorney to preserve the attorney client privilege and to discuss the case of Public Service Co of NC, Inc, d/b/a Enbridge Gas, NC v. Moore & Son Site Contractors, Inc.,and the City of Hendersonville, 25CV002532-440, Henderson County Superior Court, and to consider the qualifications, competence, performance, character, fitness of an individual public officer or employee.

7. ADJOURN

City Council went into closed session at 4:45 p.m.

At 5:46p.m. City Council came back into open session and council member Lyndsey Simpson moved that City Council approve the settlement as proposed in the matter of Public Service Co of NC, Inc. d/b/a Enbridge Gas, NC v. Moore & Son Site Contractors, Inc., and the City of Hendersonville, 25CV002532-440, Henderson County Superior Court. A unanimous vote of the Council followed. Motion carried.

Council Member Lyndsey Simpson moved that City Council authorize the mayor to enter int an employment agreement with the city attorney. A unanimous vote of the Council followed. Motion carried.

There being no further business, the meeting adjourned at 5:48 p.m. upon unanimous assent of the Council. No further action was taken.

ATTEST:

Barbara G. Volk, Mayor

Jill Murray, City Clerk