

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
MONDAY, JUNE 16, 2025**

The Henderson County Board of Commissioners met for a Special Called Meeting at 4:30 p.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman William Lapsley, Vice-Chair J. Michael Edney, Commissioner Rebecca McCall, Commissioner Sheila Franklin, Commissioner Jay Egolf, County Manager John Mitchell, Assistant County Manager Chris Todd, Financial Services Director Samantha Reynolds, Emergency Services Director Jimmy Brissie, County Attorney Russ Burrell, and Clerk to the Board Denisa Lauffer.

Also present were: Engineer Marcus Jones, Chief Communications Officer Mike Morgan, Social Media Coordinator Tiffany Lucey, and Deputy Jesse Blankenship, who provided security.

Call to Order/Welcome

Chairman Lapsley called the meeting to order and welcomed all in attendance.

Invocation

John Mitchell provided the invocation.

Pledge of Allegiance

Chairman Lapsley led the Pledge of Allegiance to the American Flag.

Public Comment – There were none.

Closed Session – Attorney-Client

Vice-Chair Edney made a motion to go into closed session pursuant to N.C. Gen. Stat. § 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body. All voted in favor, and the motion carried.

The Board returned from Closed Session and reconvened the meeting at 5:14 p.m.

Discussion

Chairman Lapsley provided an overview of the city's public water and sewer systems' operations and their relationship to the future growth of the county. He explained that NC Senate Bill 69 was introduced in the spring of 2024 by Senator Tim Moffitt, who represents Henderson County. The bill addressed the operation of public enterprises by the City of Hendersonville. Although the bill was reviewed in committee and discussed in the Senate, it did not advance. No final vote was taken, and as a result, the bill did not proceed to the North Carolina House for consideration.

The County Manager and Mr. Lapsley reviewed the reintroduction of SB69 privately with each county commissioner in December to confirm their support for reintroducing this local legislation. With the Board's approval, they spoke with Senator Moffitt, who agreed to reintroduce the bill in

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the current General Assembly session. They also informed Representatives Balkcom and Johnson to ensure all local representatives understood the commission's position and request on this matter.

Senate Bill 69, concerning the operation of the city's public water and sewer systems, was reintroduced earlier this year with initial support from the county commissioners. After discussions with Senator Moffitt in March, the bill was slightly revised and passed through the Senate in April. At their April 16 meeting, the Board passed a Resolution which strongly supported the bill, which was facing the Senate's local bill crossover deadline. Their support was communicated to Senator Moffitt and Representatives Balkcom and Johnson. After the Senate passed the bill, it moved to the North Carolina House for consideration.

Following that, the Hendersonville City Council contacted the county commissioners to request meetings to negotiate possible revisions to the bill. No formal changes had been made to Senate Bill 69, but discussions between the County and the City have taken place. John Mithell, Vice-Chair Edney and Commissioner Egolf met with City Manager John Connet, Councilwoman Jennifer Hensley, and Mayor Barbara Volk. And there has been ongoing communication between the county and city managers about proposed amendments to the bill. At this point, it seems an agreement may have been reached on the terms and proposed changes. A revised draft of Senate Bill 69 now appears ready for approval by both the City Council and the Board of Commissioners.

Chairman Lapsley detailed the main provisions of the amended NC Senate Bill 69:

1. Creation of a Joint Water and Sewer Utilities Commission

The bill establishes a new advisory commission to oversee the operation of the City of Hendersonville's water and sewer system. This commission would be jointly appointed by the Hendersonville City Council and the Henderson County Board of Commissioners.

2. Annexation and Fire Protection Impact

The bill addresses how the City's annexation of parcels in unincorporated areas affects existing volunteer fire departments. This has been a longstanding concern. A compromise appears to have been reached that acknowledges the impact on these departments and seeks to mitigate it.

3. Elimination of Extraterritorial Jurisdiction (ETJ)

The bill eliminates the City of Hendersonville's extraterritorial zoning jurisdiction in the unincorporated areas surrounding the city.

4. Zoning Continuity Post-Annexation

The bill stipulates that Henderson County's zoning regulations will remain in effect on parcels in unincorporated areas, even if those parcels are annexed into the City of Hendersonville.

5. Restoration of Local Downzoning Authority

The final provision addresses a more recent issue. In the last session of the General Assembly, legislation was enacted that removed the ability of counties and municipalities to implement downzoning of parcels within their zoning jurisdiction. This bill includes an amendment that would restore that authority specifically to Henderson County and its municipalities. Local leaders view this as a significant step in regaining local land use

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control, which they believe should not be dictated by the state. This is a local bill—applicable only to Henderson County—and does not reinstate downzoning authority statewide.

Chairman Lapsley noted that this legislation has been discussed in detail with Senator Moffitt and Representatives Balkcom and Johnson

Commissioner Egolf added that this has been a long-debated issue, and he sincerely appreciated everyone coming together to work toward a resolution. He specifically recognized Jeff Miller as a key figure in helping bridge the gap between the city and the county, and expressed gratitude for his role in reaching an agreement.

Vice-Chair Edney acknowledged that there has been a contentious history between the County and the City on various issues, with water, sewer, and annexation being central to many of the disagreements. He stated that this agreement represents the most progress he has seen and more than he thought possible. It required a great deal of hard work and mutual compromise. While neither side got everything it wanted—often a sign of a fair agreement—he believes it is a strong step forward. He expressed optimism about continuing to working with the City “hand in glove” going forward.

Commissioner McCall agreed that the proposed legislation represents a fair deal, even though it does not give the County everything it wanted. She emphasized that, if passed, this would be a major achievement for Henderson County and could serve as a model for other counties across North Carolina. She also pointed out that one important item not discussed was the **Mud Creek Agreement**, which was originally set to expire in 2030. The new legislation would continue the Mud Creek Agreement in perpetuity—something she described as one of the best arrangements ever created to protect the County while ensuring continued utility service.

Commissioner Franklin echoed the comments made by her fellow Board members and expressed her gratitude for the spirit of collaboration that made the agreement possible. She noted that this outcome aligned with a vision she had long held to benefit the citizens of Henderson County.

The County Attorney concluded by noting that the agreement before the Board was the final version and was being voted on simultaneously by the Hendersonville City Council. He identified two final changes:

- First, in subparagraph F, language was updated to read: **"No elected official, and no employees of the city and/or county may serve on the committee."**
- Second, a minor typographical correction in **Section Four** on page four of the agreement, where **General Statute 160D-201** was revised to insert the word **"be"** between "may" and "exercise," so the clause now reads: **"may be exercise[d]."**

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Chairman Lapsley said that with great honor, and on behalf of the Board of Commissioners, he moved that the Board approve and adopt the proposed Interlocal Agreement with the City of Hendersonville and further that under its terms the Board endorse and take steps to advocate the immediate adoption by the North Carolina General Assembly of the amended Senate Bill 69, which is attached to the Interlocal Agreement. All voted in favor, and the motion carried.

Chairman Lapsley made the motion to adjourn the meeting at 5:42 p.m. All voted in favor, and the motion carried.

ADJOURN

Denisa A. Lauffer, Clerk to the Board

William G. Lapsley, Chairman

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