

September 8, 2026

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
TUESDAY, SEPTEMBER 8, 2026**

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 5:30 p.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

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

Also present were: Budget Manager Sonya Flynn, Director of Public Health David Jenkins, Infrastructure Manager Mike McKinney, Social Services Director Lorie Horne, Deputy DSS Director Debbie Dunn, Director of Human Resources Karen Ensley, Tax Assessor Kevin Hensley, Sheriff Lowell Griffin, Social Media Coordinator Tiffany Lucey, and Finance Director Randal Cox. Deputies Matt Covil, Judd Lawton, and Mandy Ladd provided security.

CALL TO ORDER/WELCOME

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

INVOCATION

John Mitchell provided the invocation.

PLEDGE OF ALLEGIANCE

Charlotte Ferguson of the Barnyard Bandits 4-H Club led the Pledge of Allegiance to the American Flag.

RESOLUTIONS AND RECOGNITIONS

2026.089 Resolution of Memoriam – Dolly Rebecca Parton

The Board was requested to adopt a Resolution of Memoriam for Dolly Rebecca Parton, who passed away on August 25, 2026.

Commissioner McCall moved to adopt the resolution as presented. All voted in favor, and the motion carried.

2026 Civic Award – Mobile Library

Commissioner McCall presented the 2026 Civic Award received for Henderson County Public Library's mobile library that was awarded at the 2026 NCACC Commissioners Conference recently held in Durham, NC. The award was presented to Library Director Trina Rushing.

PROCLAMATIONS

2026.090 2026 Constitution Week

September 17, 2026, marks the two hundred and thirty-ninth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention. Henderson County asks our citizens to reaffirm the ideals the Framers of the Constitution had in 1787.

Chairman Lapsley made the motion that the Board adopt the Proclamation designating September 13, 2026, to September 19, 2026, as Constitution Week in Henderson County. And further moved that the

Approved:

Board approve placement of a banner in recognition of Constitution Week at the Historic Courthouse from September 13 – 19, 2026. All voted in favor, and the motion carried.

Mr. Lapsley presented the proclamation to representatives from the Daughters of the American Revolution.

PUBLIC COMMENT *(Comments are the views and opinions of the speaker)*

Members of the public addressed the Board regarding several matters, including the use of Automated License Plate Reader (ALPR) and Flock cameras, data centers, farmland preservation, and community concerns.

Several speakers—including Holly Newton, Tom Shantz, James Dillon, Samuel Mershon, Mark Miller, Jon Williams, Scott Lesser, Tiernan Turner, Kelly Turner, Gretchen Roe, Aaron Black, Maddie and Drake—expressed opposition to or concerns about the County’s use of Flock/ALPR cameras. Speakers cited concerns regarding privacy, transparency, data collection and retention, public notification and consent, the potential for misuse or inaccurate information, the use of public funds, and the relationship between surveillance technology and public safety. Several speakers requested that the County discontinue use of the cameras, end funding for the technology, and/or delete historical data. Tiernan Turner presented a petition containing more than 2,500 signatures opposing the use of Flock cameras. Speakers also referenced cameras on or near the Ecusta Trail and questioned the technology's extent and future expansion.

Graham Sturgis spoke about concerns affecting the Bat Cave community and said the area had been overlooked.

Margaret L’Hommedieu addressed potential data center development and encouraged the Board to take proactive steps to address related community concerns. She proposed establishing a community group to study issues associated with data centers and report its findings to the Board.

Joel Welsh spoke in support of farmland preservation and described concerns regarding a surveyor’s activities on his property and the potential impact on his land.

DISCUSSION/ADJUSTMENT OF AGENDA

Chairman Lapsley moved to approve the agenda as presented. All voted in favor, and the motion carried.

CONSENT AGENDA

Approval of Minutes

Draft minutes were presented for Board review and approval for the following meeting:

August 19, 2026

Motion: I move the Board approve the minutes from August 19, 2026.

Approved:

Tax Collector's Report

The following report from the office of the Tax Collector was provided for the Board's information.

Please find outlined below collections information through August 27 for 2026 real and personal property bills created and in mailing process. Vehicles taxes are billed monthly by NCDMV.

Henderson County Annual Bills (Real and Personal Property):

2026 Beginning Charge:	\$114,761,451.77
Discoveries & Imm. Irreg.:	\$183,892.90
Releases & Refunds:	(\$39,417.43)
Net Charge:	<u>\$114,905,927.24</u>
Unpaid Taxes:	\$104,055,637.42
Amount Collected:	\$10,850,289.82



Henderson County Registered Motor Vehicles (As Collected by NC DMV):

Net Charge:	\$1,410,390.36
Unpaid Taxes:	\$4,739.50
Amount Collected:	\$1,405,650.86

99.66%

Henderson County FY27 Budget Analysis:



2026.091 Pending Releases and Refunds

The pending releases and refunds were reviewed by the Assessor. As a result of that review, the Assessor's opinion was that the findings are in order. Supporting documentation is on file in the County Assessor's Office.

These pending release and refund requests were submitted to the Henderson County Board of Commissioners for approval.

Type:

Amount:

Total Taxes Released from the Charge

\$23,064.17

Total Refunds as a Result of the Above Releases

\$ 1,554.49

Motion: I move the Board to approve the Combined Release/Refund Report as presented.

County Financial Report/Cash Balance Report- July 2026

The July 2026 County Financial and Cash Balance Reports were presented for the Board's review and approval.

The following are explanations for departments/programs with higher budget-to-actual percentages for the month of July:

- Dues/Non Profit Contributions – timing of payment of 1st quarter board-approved appropriations.

Approved:

- County Manager – timing of payment of board-approved expenditures.
- Administrative Services – timing of payment of board-approved expenditures.
- Human Resources – timing of payment of board-approved expenditures.
- Elections – timing of payment of board-approved expenditures.
- Finance – timing of payment of board-approved expenditures.
- County Assessor – timing of payment of board-approved expenditures.
- Tax Collector – timing of payment of board-approved expenditures.
- Legal – timing of payment of board-approved expenditures.
- Register of Deeds – timing of payment of board-approved expenditures.
- Information Technology – timing of payment of board-approved expenditures.
- Sheriff – timing of payment of board-approved expenditures.
- Detention – timing of payment of board-approved expenditures.
- Emergency Management – timing of payment of board-approved expenditures.
- Building Services – timing of payment of board-approved expenditures.
- Wellness Clinic – timing of payment of board-approved expenditures.
- Emergency Medical Services – timing of payment of board-approved expenditures.
- Animal Services – timing of payment of board-approved expenditures.
- Rescue Squad – timing of payment of 1st quarter board-approved appropriations.
- Soil & Water – timing of payment of board-approved expenditures.
- Planning - timing of payment of board-approved expenditures.
- Code Enforcement – timing of payment of board-approved expenditures.
- Site Development – timing of payment of board-approved expenditures.
- Heritage Museum - timing of payment of 1st quarter board-approved appropriations.
- Cooperative Extension – timing of payment of board-approved expenditures.
- Project Management - timing of payment of board-approved expenditures.
- Public Health – timing of payment of board-approved expenditures.
- Environmental Health – timing of payment of board-approved expenditures.
- H&CC Block Grant – timing of payment of board-approved expenditures.
- Strategic Behavioral Health – timing of payment of board-approved expenditures.
- Mental Health Services – timing of payment of 4th quarter board-approved appropriations.
- Social Services – timing of payment of board-approved expenditures.
- Veterans Services – timing of payment of board-approved expenditures.
- Library – timing of payment of board-approved expenditures.
- Recreation – timing of payment of board-approved expenditures.
- Public Education – payment of 1 of 10 annual appropriations made to the public school system.

Year to Date Net Revenues under Expenditures for the Revaluation Reserve Fund is due to the timing of receipts and disbursements of approved expenditures in FY27.

Year-to-Date Net Revenues under Expenditures for the Emergency Telephone System Fund is due to the timing of receipts and disbursements of approved expenditures in FY27.

Year-to-Date Net Revenues under Expenditures for the Opioid Fund are due to the timing of receipts and disbursements of approved expenditures in FY27.

Approved:

Year-to-date net revenues under Expenditures for the Hurricane Helene Fund are due to the timing of expenditures and receipt of FEMA reimbursements in FY27.

I move that the Board of Commissioners approve the July 2026 County Financial Report and Cash Balance Report as presented.

Henderson County Public Schools Financial Reports – June and July 2026

The Henderson County Public Schools June and July 2026 Local Current Expense Fund / Other Restricted Funds Reports were provided for the Board's information.

I move that the Board of Commissioners approve the Henderson County Public Schools June and July 2026 Financial Reports as presented.

Blue Ridge Community College Financial Report – June 2026

The Blue Ridge Community College June 2026 Current Expense Report was provided for the Board's information.

I move that the Board of Commissioners approve the Blue Ridge Community College June 2026 Current Expense Report as presented.

Notification of Vacancies

The Notification of Vacancies was provided for the Board's information. They will appear on the next agenda under "Nominations."

- 1. EMS Peer Review Committee– 1 vac.**
Seat # 9 – Medical Facility Pharmacist

FY2027 Nonprofit Funding Agreements

After adopting the FY 2026–2027 Budget, staff provided funding agreements to the nonprofit organizations awarded County funding.

I move that the Board authorize the Chairman to execute the funding agreements, thereby approving the release of the first payment to the listed agencies.

Annual Volunteer Appreciation Banquet

Staff has arranged to hold the Annual Volunteer Appreciation Banquet in the Gala Meeting Room on the Blue Ridge Community College campus.

I move that the Board schedule the 2026 Annual Volunteer Appreciation Banquet for Tuesday, September 22, 2026, at 6:00 pm.

Transfer of K-9 Ownership – Oedipe

The Sheriff's Department requested the Board approve the transfer of ownership of K-9 Oedipe to his handler, Crystal Riley. K-9 Oedipe has served the citizens of this county well but is nearing the end of his service life and life expectancy. Crystal Riley has been his sole trainer, partner, and handler throughout his career. Crystal Riley is aware of the inherent risks associated with retired

Approved:

service K-9s and is willing to accept such risks, and agrees to indemnify and hold harmless Henderson County from any and all claims or any cause of action whatsoever arising from K-9 Oedipe, as well as to assume all responsibility for feeding, care, and veterinary expenses.

I move the Board approve the K-9 Disposition Agreement to transfer ownership of K-9 Oedipe to his handler, Crystal Riley.

2026.092 Opioid Expenditure Authorization - McKinsey Settlement Funds

At its June 2, 2025, meeting, the Board approved an annual contract from the North Carolina Administrative Office of the Courts, along with an Addendum specifying services tailored to Henderson County's program, for prosecutorial services to support the Adult Recovery Court program. The anticipated contract cost is \$159,017.

In addition to the Opioid Settlement Funds, Henderson County receives allocations from the McKinsey Opioid Settlement Fund. These funds are also eligible for reimbursement to the District Attorney's Office for services provided in support of the Adult Recovery Court.

At its October 6, 2025, meeting, the Board authorized the use of McKinsey Settlement Funds to support the annual contract for prosecutorial services to support the Adult Recovery Court program. Because these funds were not used in FY26, staff now requests Board approval to use them in FY27 for their intended purpose, per the budget amendment. The County anticipates using \$78,333.57 in Opioid Settlement Funds and \$80,683.43 in McKinsey Settlement Funds.

I move the Board approve the use of McKinsey Opioid Settlement funds and the budget amendment as presented.

2026.093 Surplus and Donation of Ambulance and Stretcher to the Gerton Volunteer Fire Department and Rescue, Inc.

A resolution was presented declaring one (1) ambulance and one (1) stretcher no longer used by Henderson County Emergency Medical Services as surplus property and the donation of the Ambulance and Stretcher to the Gerton Fire Department and Rescue, Inc as allowed by N.C.G.S. 160A-280, to be used for patient care and ambulance transportation.

I move that the Board approve the resolution declaring the ambulance and stretcher presented as surplus and authorize the donation to the Gerton Fire Department and Rescue, Inc as allowed by N.C.G.S. 160A-280.

2026.094 FY2026-2027 Adopted Fee Schedule Change – Department of Health

The Department of Public Health requested approval of the standard Current Procedural Terminology (CPT) telehealth proposed fees. The CPT fees were updated by the Centers for Medicare & Medicaid Services after the Board of Commissioners adopted the FY2027 fee schedule. Staff requested that the FY2027 fee schedule be updated to reflect these changes.

These fees were approved by the Board of Health on Monday, August 17, 2026.

I move the Board approve the updated CPT codes and telehealth proposed fees.

Approved:

2026.095 Budget Amendment – Appropriated Restricted Fund Balance

The Sheriff's Office requested that the Board approve an appropriation from the Sheriff's Office accumulated restricted NC Department of Revenue (DOR) asset forfeiture funds in the amount of \$34,066 to purchase a surveillance camera and gym equipment to enhance Sheriff's Office operations.

I move the Board approve the budget amendment to appropriate \$34,066 in restricted fund balance of accumulated NC DOR asset forfeiture funds.

Vendor Selection – Fletcher Library

The Board was requested to approve the Request for Qualifications (RFQ) selection of Clark Nexsen, a JMT Company, and authorize staff to proceed with the negotiations and procurement of Architecture & Engineering services for the Henderson County Fletcher Library project.

The Statements of Qualifications received were from: HBM, TAB & Associates, Craig Gaulden Davis, CPL, Perkins & Will, Invision, Baskervill, Peacock, Clark Nexsen, LS3P, Vines, ADW, MPS, and Little Architecture.

I move that the Board approve the selection of Clark Nexsen, a JMT Company, for the Henderson County Fletcher Library Advanced Planning and Design Services, and direct staff to negotiate an agreement.

Vendor Contract – JCAR Courthouse Project

The Board was requested to approve the proposal from WSP of \$399,800 for Special Materials Testing and Inspections for the Henderson County JCAR Courthouse Project.

This cost for this contract is within the approved overall project budget.

I move the Board approve the proposal from WSP for \$399,800 and authorize staff to execute the contract.

Vice-Chair Edney moved to approve the consent agenda as presented. All voted in favor, and the motion carried.

PUBLIC HEARINGS

Chairman Lapsley moved to go into public hearing. All voted in favor, and the motion carried.

2026.096 Public Hearing For Community Infrastructure Projects

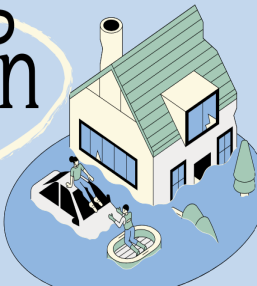
Natalia Santana-Pollard presented information and requested public input on proposed infrastructure grant projects.

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Approved:

Prepared by
Natalie Santana-Pollard
September 8, 2026

Rebuilding Henderson County



Committed to Recovery Infrastructure Projects



Human Services Building Refit



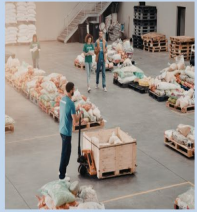
Restoring the Floodplain in the Mud Creek Water Basin



Agricultural Services Building, Shelter, and Distribution Center

Why These Projects?

Henderson County Staff have spent months analyzing the Hurricane Helene After Action Report, Hickory Nut Gorge Recovery Plan, Emergency Operations Plan, and Continuity of Operations Plan, among other resources, and data from Helene and these options provide thoughtful, evidence-based, and realistic projects that can be completed within the timelines required by these grants.




Additional Considerations

- 01 Is it fiscally responsible?
- 02 Can it build on work already being done within the county?
- 03 Can we see benefits during non-emergency periods?

Human Services Building Refit

Statistics

- 29.1% of residents are 65 or older
- 1,500 residents are at-risk during disasters
- 46.9% of residents 65+ report having a disability

Proposed Project

Create a space that could serve as a shelter for severely disabled residents with complex medical needs within currently unused space within the Human Services Building.

Gaps During Helene

- Shelters were not prepared for the level of medical acuity and volume of individuals arriving to them.
- Community buildings could not replace/recharge partially filled oxygen cylinders for days.
- Shelter staffing did not have sufficient resources to manage residents with dementia or Alzheimer's.
- Record-keeping was a challenge which is especially necessary for residents with medical needs.
- Licensed care facilities were unwilling to take community residents.

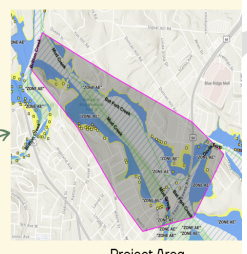
Restoring the Floodplain in the Mud Creek Water Basin

Statistics

- 75 commercial properties and 18 residential properties (as of 2025) are located in the project area.
- As of 2018 the project area contained 13 repetitive flood loss properties.
- 45% of the residents in the project area are low-income, including 26% who live below the poverty level.
- Flooding in this area impedes access to Pardee Hospital, and isolates the only dialysis center located in the project area.

Proposed Project

Request planning funds to create two projects in the Mud Creek watershed that will work to address repetitive flooding in Hendersonville.



Project Area

Agriculture Services Building, Shelter, and Distribution Site

Statistics

- Henderson County paid over **\$1 million** in rent and utilities fees for distribution centers after Helene.
- Consolidating USDA services available in the county has been a long-term goal.
- Tremendous opportunities for non-disaster use that could also be revenue-generating.

Proposed Project

Buy a suitable office/commercial building and move the USDA offices there. Additionally, build out a distribution center and space for a shelter that serves severely disabled residents.



Public Comment



E-Mail
nspollard@hendersoncountync.gov
Subject: Community Infrastructure Grant Comments



Call
828-696-0124



Mail
Henderson County Emergency Management
c/o Community Grant Infrastructure
2529 Asheville Hwy
Hendersonville, NC 28791

Approved:

Public Comment: Graham Sturgis stated that the North Carolina Department of Transportation (NCDOT) had spent approximately \$8 million in reconstruction funds and had not received any reimbursements.

Chairman Lapdley moved to go out of the Public Hearing. All voted in favor, and the motion carried.

Chairman Lapsley moved to go into public hearing. All voted in favor, and the motion carried.

2026.097 Final Approval of a Financing Contract for UNC Health Mills River MOB

A public hearing was scheduled on September 8, at 5:30 p.m. in the above matter. Notice was published in the *Hendersonville Lightning* on August 26, 2026.

The Board gave notice that this hearing would be conducted concerning the approval of the execution and delivery of the Financing Contract and the County's acquisition, construction and equipping of the Project. Under the proposal, the County would pay the capital costs of acquisition, construction, and equipping of a new medical office building and related site improvements to expand UNC Health Pardee's outpatient and primary care services within the County including but not limited to, a medical office building to be constructed on UNC Health Pardee's Mills River campus and (2) refinance the acquisition, construction and equipping of the Innovative High School in the County. This would be done pursuant to an installment financing contract (the "Contract"), in a principal amount not to exceed \$75,000,000 under which the County will make certain installment payments.

This public hearing is being held to satisfy two legal requirements:

1. **State law (G.S. 160A-20)** requires a public hearing before it enters into the First Amendment to the Installment Financing Contract, which is part of the overall legal structure that allows the execution and delivery of limited obligation bonds to finance these projects.
2. **Federal tax law (Section 147(f) of the Internal Revenue Code)** requires a public hearing, commonly referred to as a "TEFRA hearing," before tax-exempt bonds may be issued for projects being used by certain nonprofit entities, such as UNC Health Pardee.

Public Comment: There was none.

Chairman Lapsley moved to go out of the public hearing. All voted in favor, and the motion carried.

Chairman Lapsley moved that the following resolution, copies of which have been made available to the Board of Commissioners, be adopted by reading the title thereof (further reading waived without objection):

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON,
NORTH CAROLINA, APPROVING AN AMENDMENT TO AN INSTALLMENT FINANCING**

Approved:

**CONTRACT AND DELIVERY THEREOF; AND PROVIDING FOR CERTAIN OTHER
RELATED MATTERS**

WHEREAS, the County of Henderson, North Carolina (the “*County*”) is a validly existing political subdivision, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the money advanced therefor;

WHEREAS, the County has previously executed and delivered:

(1) an Installment Financing Contract dated as of October 1, 2025 (the “*2025 Contract*”) with the Henderson County Governmental Financing Corporation (the “*Corporation*”), a portion of the proceeds of which were used to finance the renovation and expansion of the County’s existing detention facility (the “*Detention Facility*”) as part of the County’s judicial center complex, as amended by Amendment Number One to the Installment Financing Contract, dated as of January 1, 2026 (the “*First Amendment*”), and Amendment Number Two to the 2025 Contract, dated as of May 1, 2026 (the “*Second Amendment*”), between the County and the Corporation; and

(2) a Deed of Trust, Security Agreement and Fixture Filing dated as of October 1, 2025 (the “*Deed of Trust*”), pursuant to which the County granted a lien on the site of the Detention Facility, together with the real estate improvements thereon and appurtenances thereto;

WHEREAS, the County also previously entered into an Installment Financing Contract dated as of December 1, 2016 with the Corporation, the proceeds of which were used to finance the acquisition, construction and equipping of the Innovative High School in the County (the “*Refunded Project*”);

WHEREAS, the Board of Commissioners of the County (the “*Board*”) previously determined that it is in the County’s best interest to enter into Amendment Number Three to the Installment Financing Contract (the “*Third Amendment*” and together with the First Amendment, the Second Amendment, and the 2025 Contract, the “*Contract*”) in an amount not to exceed \$75,000,000 with the Corporation to (1) finance the acquisition, construction, and equipping of a new medical office building and related site improvements to expand UNC Health Pardee’s outpatient and primary care services within the County, including, but not limited to, a medical office building to be constructed on UNC Health Pardee’s Mills River campus (the “*New Money Project*”) and (2) refinance the Refunded Project;

WHEREAS, in furtherance of the above plan, the Corporation will execute and deliver its Limited Obligation Bonds (County of Henderson, North Carolina), Series 2026D (the “*Bonds*”) to finance the New Money Project and refinance the Refunded Project in an aggregate principal amount not to exceed \$75,000,000, evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the 2025 Contract), under the terms of an Indenture of Trust (the “*2025 Indenture*”), as supplemented by Supplemental Indenture, Number 3 (the “*Third Supplement*” and together with the 2025 Indenture, as previously supplemented, the “*Indenture*”), each between the Corporation and U.S. Bank Trust Company, National Association, as trustee;

WHEREAS, in connection with the sale of the Bonds by the Corporation to PNC Capital Markets LLC (the “*Underwriter*”), the Corporation will enter into a Contract of Purchase between the Corporation and the Underwriter, and the County will execute a Letter of Representation to the Underwriter with respect to the Bonds (the “*Letter of Representation*”);

Approved:

WHEREAS, there have been described to the Board the forms of the following documents (collectively, the “*Instruments*”), copies of which have been made available to the Board, which the Board proposes to approve, enter into and deliver, as applicable, to effectuate the proposed installment financing:

- (1) the Third Amendment;
- (2) the Third Supplement, including the form of the Bonds; and
- (3) the Letter of Representation;

WHEREAS, to make an offering and sale of the Bonds, there will be prepared a Preliminary Official Statement with respect to the Bonds (the “*Preliminary Official Statement*”), a draft thereof having been presented to the Board, and a final Official Statement relating to the Preliminary Official Statement (together with the Preliminary Official Statement, the “*Official Statement*”), which Official Statement will contain certain information regarding the County;

WHEREAS, it appears that each of the Instruments and the Preliminary Official Statement is in an appropriate form and is an appropriate instrument for the purposes intended;

WHEREAS, a public hearing on the Third Amendment and the New Money Project to be financed thereby and the Refunded Project to be refinanced thereby, after publication of a notice with respect to such public hearing, must be held and the Board conducted such public hearing at this meeting;

WHEREAS, the County will file an application to the North Carolina Local Government Commission (the “*LGC*”) for approval of the Third Amendment;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AS FOLLOWS:

Section 1. Ratification of Instruments. All actions of the County, the Chairman of the Board (the “*Chair*”), the Clerk to the Board (the “*Clerk*”), the County Manager, the Financial Services Director, the Finance Director, the County Attorney, and their respective designees, whether previously or hereinafter taken, in effectuating the proposed financing, including the making of application to the LGC, are approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. Authorization of the Official Statement. The form, terms and content of the Preliminary Official Statement are authorized, approved, and confirmed, and the Underwriter’s use of the Preliminary Official Statement and the final Official Statement in connection with the sale of the Bonds is authorized, approved and confirmed. The Chair, the County Manager, the Financial Services Director, the Finance Director, and the Clerk (collectively, the “*Authorized Officers*”) are authorized and directed, individually and collectively, to deliver, on behalf of the County, the Official Statement in substantially such form, with such changes, insertions and omissions as he or she may approve.

Section 3. Authorization to Execute the Instruments. The Board authorizes and approves the financing of the New Money Project and the refinancing of the Refunded Project in an amount not to exceed \$75,000,000 and in accordance with the terms of the Instruments, which will be valid, legal, and binding obligations of the County in accordance with their terms. The form and content of the Instruments are authorized, approved, and confirmed, and the Authorized Officers and their respective designees are authorized, empowered, and directed, individually and collectively, to execute and deliver the Instruments, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Instruments

Approved:

presented to the Board. From and after the execution and delivery of the Instruments, the Authorized Officers are authorized, empowered and directed, individually and collectively, 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 4. County Representative. The Authorized Officers are designated as the County's representatives to act on behalf of the County in connection with the transactions contemplated by the Instruments and the Preliminary Official Statement, and are authorized to proceed with financing the New Money Project and refinancing the Refunded Project in accordance with the Instruments and the Preliminary Official Statement and to seek opinions as a matter of law from the County Attorney, which the County Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The County Manager, the Financial Services Director, and the Finance Director are authorized, individually and collectively, to select any co-managing underwriters for the Bonds if they determine such selection to be in the best interest of the County. The Authorized Officers and their respective designees are authorized, empowered and directed, individually and collectively, 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 and the Preliminary Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and to administer the transactions contemplated by this Resolution after the execution and delivery of the Bonds.

Section 5. Severability. If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 6. Repealer. All motions, orders, resolutions and parts thereof in conflict herewith are repealed.

Section 7. Effective Date. This Resolution is effective on the date of its adoption.

On motion of Chairman Lapsley, the foregoing resolution entitled "**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, APPROVING AN AMENDMENT TO AN INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF; AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**" was duly adopted by the following vote:

AYES: LAPSLEY, EDNEY, MCCALL, EGOLF, AND FRANKLIN

NAYS: NONE

DISCUSSION

Henderson County, UNC Health Pardee Mills River Medical Office Building Project Guaranteed Maximum Price

The Board was requested to approve the Guaranteed Maximum Price (GMP) from Vannoy Construction and authorize staff to proceed to Contract for Construction Manager at Risk (CMR) services, for the Henderson County, UNC Health Pardee Mills River Medical Office Building Project.

The proposal received from Vannoy Construction is for a price of \$36,355,386 for the Henderson County, UNC Health Pardee Mills River Medical Office Building Project.

Approved:

Vice Chair Edney made the motion that the Board accept the Guaranteed Maximum Price of \$36,355,386 and direct Henderson County Staff to contract with Vannoy Construction on this project. All voted in favor, and the motion carried.

Department of Social Services SNAP Update

Social Services Director Lorie Horne presented recent changes to the Supplemental Nutrition Assistance Program (SNAP) for Henderson County.

SNAP PROGRAM FUNDING CHANGES AND IMPACT ON HENDERSON COUNTY

BACKGROUND ON H.R. I CHANGES IN THE FOOD AND NUTRITION PROGRAM

- H.R. I was signed into law on July 4, 2025.
- H.R. I introduced two main impacts on our programs:
 - Redefined and limited eligibility for federal safety net programs, effectively reducing the number of people who will be able to receive these services.
 - Benefit Cost-Share Requirement: Transferred costs of managing these programs from the federal government to state governments, resulting in states needing to make difficult financial decisions. North Carolina General Assembly passed the 2026 State Appropriations Act (Session Law 2026-41), effectively shifting the financial burden to all 100 counties by withholding county sales tax revenue to pay North Carolina's required SNAP benefit cost-share.

ADMINISTRATIVE COST CHANGES (EFFECTIVE OCT 1, 2026)

- Federal reimbursement for SNAP administrative cost drops from 50% to 25%.
- NC Counties must now pay 75% of the cost of administering SNAP.
 - Henderson County Impact:
 - Additional \$203,000 in administrative expenses
 - Applied in FY2027 budget, revenue adjusted accordingly

SNAP BENEFIT COST SHARE AND PAYMENT ERROR RATE (EFFECTIVE OCT 1, 2027)

- Starting October 2027, states with **Payment Error Rates (PER)** above 6% must pay a share of SNAP benefit allotments.
- Payment Error Rate measures the percentage of SNAP Payments issued incorrectly during a sample review.
- States unable to pay their share must **opt out of SNAP**, risking food access statewide.
- NC predicts owing 5% of benefit cost-sharing, approximately **\$150 million statewide** in Federal FY2028.
- Statewide obligation is being **spread across all NC Counties** beginning in FY2027.

NORTH CAROLINA'S PAYMENT ERROR RATE

NC Payment Error Rate:	Henderson County Error Rate:
FY2025: 7.36%	FY2025: 5.10%
FY2024: 10.21%	FY2024: 17.38%

The National error rate in 2024 was 10.93%. NC's 2024 error rate was 10.21% and 7.36% in 2025, which was the 3rd largest reduction in all 50 states. Currently the federal government pays 100% of benefit costs.

Cost Share	Error Rate	State/National Error Rates for FFY24
0% Cost Share	Less than 6%	8 states
5% Cost Share	Between 6% and 8%	6 states
10% Cost Share	Between 8% and 10%	16 states
15% Cost Share	Over 10%	11 states; National rate is 10.93%
0% Cost Share for 2 years	Over 13.33%	9 states

COUNTY COST-SHARE STRUCTURE

- Flat Assessment
 - Applied to **all counties**, regardless of their individual error rate
 - Amount = 0.75% of the base year sales tax allocation
 - Flat assessment amount will be withheld from sales tax revenue
- Proportional Assessment
 - Applied **only if the county contributes to state Payment Error Rate**
 - Henderson County's PER:
 - FY2024-2025 - 5.1%
 - October 1, 2025-Current - 0.00%
 - Projected impact to Henderson County is estimated between \$500,000-\$750,000

AGRICULTURAL ACT OF 2026: FARM BILL 2.0

- Senator Boozman of Arkansas released revised text for the Senate's version of the Farm Bill, and it proposes
 - One-year cost shift delay** (implementation pushed to October 2028)
 - States with Highest error rates could see cost-share increases from 15%-20% beginning FY2031
 - Status of the bill is uncertain; however, it could be reconsidered by the Senate Committee on Agriculture, Nutrition, and Forestry in mid-September.
- Advocacy:
 - Henderson County DSS Director, with Board approval, submitted letters to Senator Tim Moffitt and Senator Ted Budd requesting a delay or modification of the SNAP cost-sharing requirements.
 - Continued advocacy from County Commissioners can reinforce the need for a statewide mitigation strategy.

IMPROVED SNAP ACCURACY IN HENDERSON COUNTY

- After evaluating caseloads within the FNS program, leadership implemented the following actions:
 - Expanded and restructured staffing by moving and adding positions to the FNS team across 2024, 2025, and 2026.
 - Maintained manageable caseload and supported a stable workforce with a low turnover rate.
 - Added a dedicated Quality Control Analyst to strengthen eligibility accuracy and focus on cases most likely to produce errors.
 - Engaged consistently in state-provided trainings to ensure alignment with updated policy and expectations.
 - Implemented daily mini-trainings to reinforce accuracy, consistency, and staff skill development.
 - Enhanced Program Integrity by providing additional one-on-one training.

Approved:

SUMMARY

- SNAP funding changes create **significant new costs** for NC counties.
- Henderson County faces:
 - Additional administrative cost (October through June 2027)
 - New benefit cost-share (FY2028)
- Projected Impact \$500,000–750,000 (FY2028)
- **The county is preparing, but advocacy is essential to push for delay of legislative adjustment and state participation in this cost shift.**

General Obligation Bonds – Farmland Preservation Update

Samantha Reynolds presented information on the General Obligation Bond process.

2026 Ballot Language**Henderson County Open Space Preservation Bonds**

Additional property taxes may be levied on property located in the County of Henderson in an amount sufficient to pay the principal of and interest on bonds if approved by the following ballot question:

SHALL the order authorizing \$25,000,000 of bonds plus interest to pay the capital costs of acquisition and improvement of land or interests therein for open space and conservation purposes, including, but not limited to, the protection of natural resources and preservation of farmland and scenic landscapes, including the acquisition of the development rights in the land, and providing the additional taxes may be levied in an amount sufficient to pay the principal of an interest on the bonds be approved, in light of the following:

2026 Ballot Language, continued

- (1) The estimated cumulative cost over the life of the bonds, using the highest interest rate charged for similar debt over the last 20 years, would be \$39,028,000 (consisting of \$25,000,000 principal amount of the bonds plus \$14,028,000 of interest).
- (2) The estimated amount of property tax liability increase for each one hundred thousand dollars (\$100,000) of property tax value to service the cumulative cost over the life of the bond provided above would be \$10.10 per year.

- ☐ Yes
☐ No

NOMINATIONS AND APPOINTMENTS**1. Environmental Advisory Committee – 2 vacs.**

There were no nominations, and this item was carried to the next meeting.

2. Hendersonville City Zoning Board of Adjustment – 1 vac.

There were no nominations, and this item was carried to the next meeting.

3. Juvenile Crime Prevention Council – 1 vac.

There were no nominations, and this item was carried to the next meeting.

4. Nursing/Adult Care Home Community Advisory Committee – 11 vacs.

There were no nominations, and this item was carried to the next meeting.

Chairman Lapsley made a motion to dismiss Board of Equalization and Review member James A. Boyd from his current unexpired term. All voted in favor, and the motion carried.

COMMISSIONER UPDATES:

Commissioner McCall recognized the county's apple growers and noted that this was a record year for apple crops. She also recognized Peyton Davis for pulling the trailer, with his large tractor, that carried the commissioners in the recent King Apple Parade.

Commissioner Franklin had no comments.

Approved:

Commissioner Egolf recognized Michelle Owens, Staff, and the Tourism Development Authority (TDA) for continued tourism growth.

Commissioner Lapsley reported that VAYA Health has gone from four regions to three and that the state will officially merge Partners Health Management, based in Gastonia, into the organization. The resulting organization will have jurisdiction over 41 counties. He noted that the state is moving toward having one Local Management Entity (LME) handling mental health matters and suggested that the Board watch the issue closely. Henderson County was not asked to serve on the larger board but will have a seat on the Commissioners Board.

Commissioner Edney noted that Pardee Hospital's new adolescent unit is expected to receive its first patients next week.

COUNTY MANAGER'S REPORT

The County Manager announced that the County will hold a ceremony commemorating the 25th anniversary of 9/11 in the courtyard of the Historic Courthouse on Friday, September 11, at 9:00 a.m.

Vice-Chair Edney made the motion to go into Closed Session pursuant to N.C. Gen. Stat. § 143-318.11(a)(5). All voted in favor, and the motion carried.

ADJOURN

Denisa A. Lauffer, Clerk to the Board

William G. Lapsley, Chairman

Approved: