



MINUTES

July 22, 2026

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

Present: Mayor Barbara G. Volk and Council Members Lyndsey Simpson, Melinda Lowrance and Gina Baxter

Staff Present: City Manager John Connet, City Clerk Jill Murray, City Attorney Angela Becker, Budget & Evaluation Director Adam Murr, Communications Director Allison Justus, Communications Coordinator II Brandy Heatherly and others.

Absent: Mayor Pro Tem Dr. Jennifer Hensley & Deputy City Manager Brian Pahle

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

City Manager John Connet asked that the Consent Agenda item (Approval Request to Apply for the Recreational Trails Grant Program) be removed from the agenda and added to the next regular meeting. Council Member Lyndsey Simpson moved that City Council approve the agenda as amended. A unanimous vote of the Council followed. Motion carried.

3. CONSENT AGENDA - REMOVED

4. PRESENTATIONS

A. Half Moon Heights Development Erosion Control Update – Brent Detwiler, Assistant City Manager – Public Services

Assistant City Manager Brent Detwiler gave the following PowerPoint presentation and Division President of Forestar, Ali Seabaugh gave a brief update and said that no damage occurred to any of the private residences and the only damage that occurred happened to a home owned by Forestar. After the original flooding event that occurred after Hurricane Helene, we hired a third-party consultant to come evaluate the approved stormwater plans and it identified that there are about five acres of off-site run-on that wasn't accounted for in the original stormwater plans and those plans were designed or permitted by Forestar. So, we did identify that and then subsequently submitted additional stormwater control measures to try to capture that off-site run-on and get it into the detention systems to be able to be treated and then ultimately discharged appropriately. We began installing that additional stormwater once it was approved at the beginning of June and then we had those two rain events while the installation was going on. The most significant one on June 29th was while that stormwater was being installed so now that stormwater is installed as the pictures Brent showed, we've matted all of that area and applied seed and also some additional erosion control measures that are just temporary while we wait for that seed to grow so that we can converge the stormwater into the inlets and get them into the system.

City Manager Connet asked how we let the homeowners know about this and Deb Johnston with Henderson County Site Development said that she spoke with the former HOA president yesterday and he said that the subdivision in that area has had additional storm events but they have not had any flooding or sediment going off the property since we've had the NOV and Forestar has stopped work and has concentrated on stabilizing the site and putting the new storm bypass. Additionally, she said that her and Brent would work together to communicate with the HOA. John asked that they put a written response together.

Ali Seabaugh added that on July 29th, Forestar will provide a response stating that they are now in compliance, but the engineer is also working on additional erosion control measures to continue to manage the stormwater until the permanent state can be installed.

Half Moon Heights Development Update

Erosion Control & Stormwater Briefing for City Council

July 22, 2026

Order of Events

Sept 24, 2024 & Dec 13, 2024	Henderson County issues prior NOV's; closed on condition that Wolf Chase stormwater devices and trail repairs be completed
May 26, 2026	Storm event causes flooding in Wolf Chase
June 3, 2026	Henderson County inspects site; identifies erosion control deficiencies (14-day correction period)
June 11, 2026	Additional storm event causes sediment-laden flooding in Wolf Chase
June 18, 2026	Site meeting with Forestar, Teraflex, and SeamonWhiteside to discuss corrective measures
June 29, 2026	Flooding recurs after 2" rain event; Wolf Chase HOA submits formal complaint to Council & Commissioners
June 30 – July 2, 2026	City meets with Forestar; Henderson County issues formal Notice of Violation
July 22, 2026	Update presented to City Council

Notice of Violation & Current Site Conditions

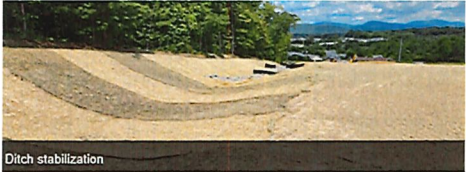
Henderson County NOV – Issued July 2, 2026

- Cited violation: sediment discharged off-site into Wolf Chase roads and stormwater control devices
- Required actions: repair and maintain erosion control measures; evaluate additional measures with a design professional; restore sediment damage to Wolf Chase homes and stormwater devices
- No new land-disturbing activity permitted until the site is back in compliance (except approved stormwater bypass work)
- SESC permit will not transfer to DR Horton for house-building permits until the site is compliant
- Compliance deadline: 30 days of receipt

Site Conditions – Photographed July 17, 2026



Phase 3 lots and ditch regrading



Ditch stabilization



Recent stormwater infrastructure work to try to correct runoff issues

Forestar Update & Path Forward

Ali Seabaugh, Division President – Greenville/Asheville, Forestar, will provide City Council an update on:

- Corrective actions completed and underway in response to the Notice of Violation
- Timeline for bringing the site back into full compliance
- Long-term measures to stay ahead of future runoff issues – including as the project transitions to vertical home construction

Henderson County Erosion Control staff are also present this afternoon to answer Council's questions.

B. Water and Sewer Quarterly Update – Adam Steurer, Utilities Director

Utilities Manager Adam Steurer gave the following PowerPoint presentation.

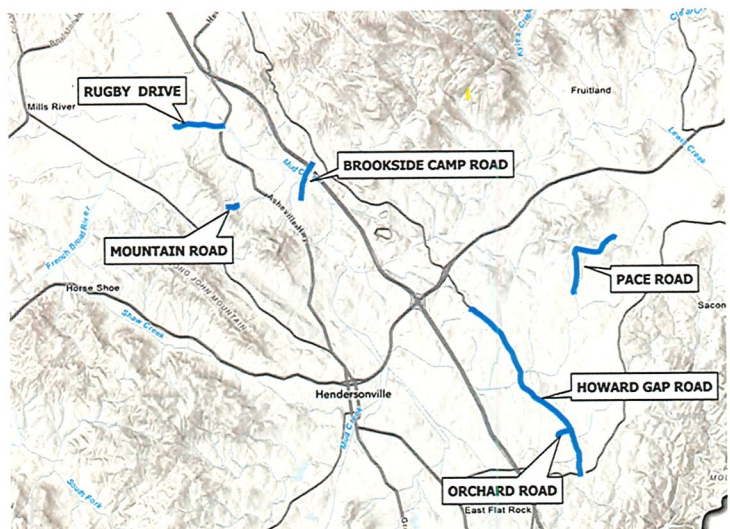
Water and Sewer Department Update

- 2026 Quarter 2 Report
- Project Updates



Water Distribution System Resiliency Looping

- ~8 miles of water pipes
- Provide redundant water supply in areas of the distribution system
- Improve water service to Upward Road Area
- Status : Design
- Construction: Beginning Late 2027
- Funding
 - \$6.75M – SRF Grant
 - \$1.86M – CDBG Grant
 - \$1.94M – Golden LEAF Grant
 - \$6.75M – 0% interest SRF Loan
 - **\$17.3M – TOTAL**



Wastewater Treatment Facility Improvements

Flood Mitigation

- Elevate/Relocate/Protect
- Status: 90% Design
- Cost Estimate: \$102M

Expansion

- 4.8 mgd to 6.0 mgd
- Status: 90% Design
- Cost Estimate: \$23M



WWTF Funding

WWTF Flood Mitigation - \$102M Estimate

Funding Source	Grant	Loan
SRF – Helene	\$8M	\$1M, 0% interest
SRF/SRP - Traditional	\$3M	\$38M, “low-interest”
FEMA – Public Assistance	TBD	
FEMA – Hazard Mitigation	TBD	
CDBG – Disaster Recovery	Up to \$15M	
TOTAL SECURED	\$11M	\$39M

WWTF Expansion - \$23M Estimate

Funding Source	Grant	Loan
US Economic Development Admin.	\$20.1M	
Dogwood Health Trust	\$2M	
TOTAL SECURED	\$2M	

C. Presentation on Updated Water Response Plan – Adam Steurer, Utilities Director

Utilities Director Adam Steurer gave the following PowerPoint presentation.



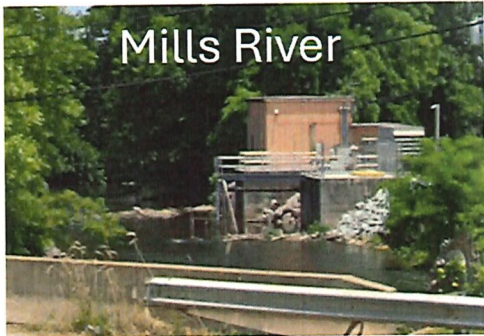
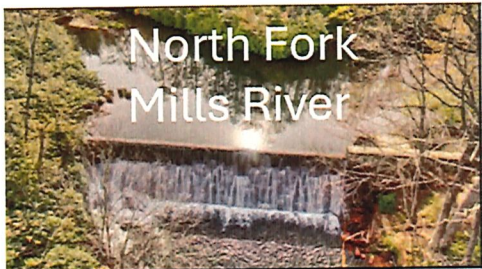
Water Shortage Response Plan Update

City of Hendersonville, NC
July 2026

What is a Water Shortage Response Plan?

- Tiered response for water supply shortages
 - Lack of source water (drought, contamination, etc)
 - Equipment failure
 - High system demands
 - Etc.
- Legally mandated NCGS 143-355 (l)
- Hendersonville must update its WSRP for the new French Broad River Intake

Overview – Hendersonville’s Water Supply



Current Water Supply

Source	Normal Conditions	Drought Conditions*
Mountain Reservoirs	4.5 mgd	~ 0 mgd
Mills River	12 mgd	>2 mgd
French Broad River	15 <u>mgd</u>	15 mgd
TOTAL	31.5 mgd	>17 mgd

- 2025 Average Day Demand: 7.7 mgd
- 2025 Max Day Demand: 9.9 mgd
- 2040 Average Day Demand: 11.4 mgd
- 2040 Max Day Demand: 17.0 mgd

* Drought Conditions are defined in current WSRP as when the Mills River USGS gauge drops below 55 cfs

What is a Stream Gauge?

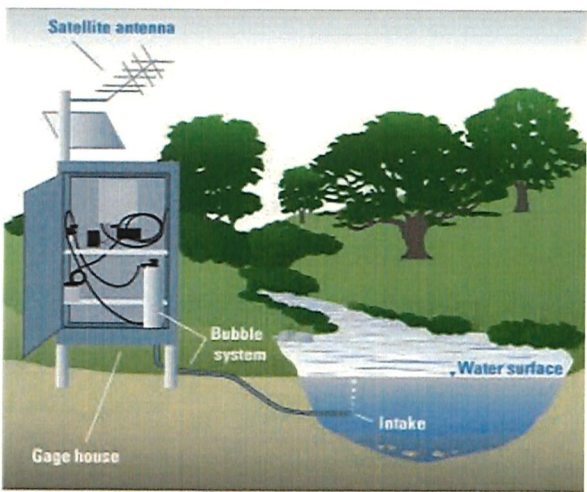
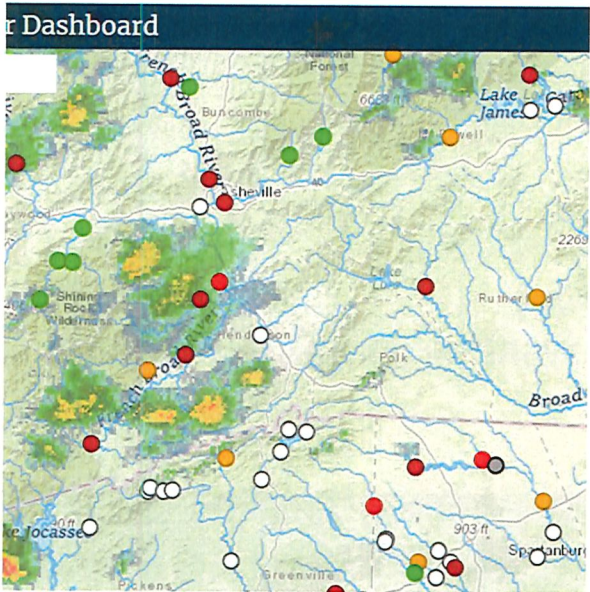


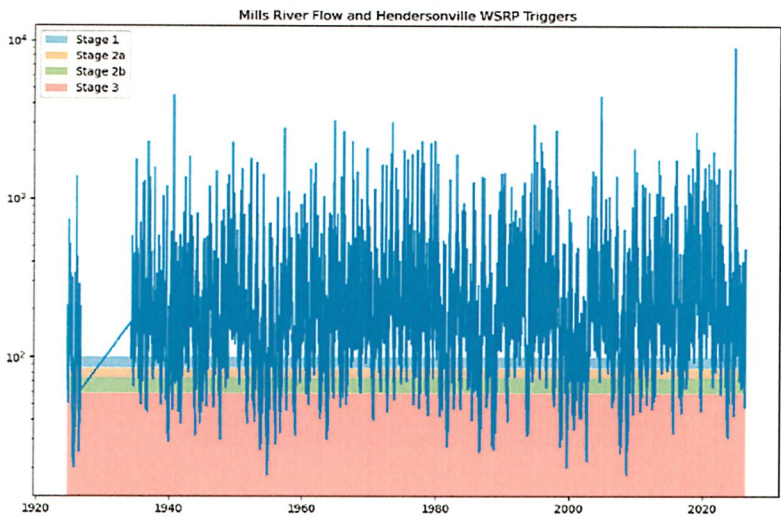
Figure 2. Diagram of a typical streamgage installation with equipment used to measure stream stage (by L.S. Coplin, U.S. Geological Survey).

Current WSRP triggers frequency analysis

As written, current WSRP has some logical inconsistencies— assuming those were errors, this would be the current WSRP requirement

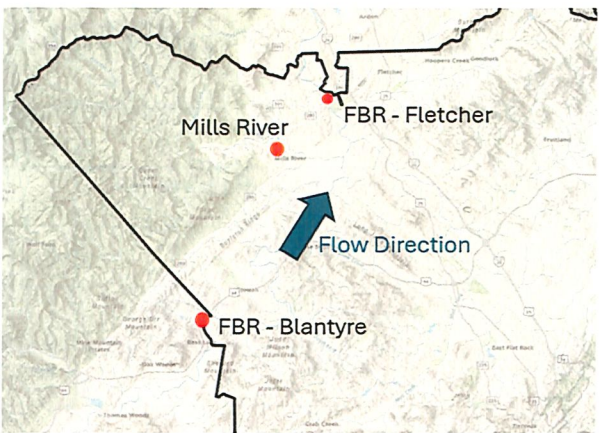
- Made some adjustments for consistency:
 - Stage 1: Flow between 32.5 to 25th percentile for seven consecutive days within a 30-day period
 - Stage 2A: Flow between 24.5 to 19th percentile for 3 consecutive days
 - Stage 2B: Flow between 19 to 11.5th percentile for 3 consecutive days
 - Stage 3: Flow less than 11th percentile for 3 consecutive days

Stage	Occurrence Frequency (stage or greater)
1	23.6%
2a	17.6%
2b	14.1%
3	9.1%



Proposed Triggers

- All three river gauges at or below flow trigger for a 7-day rolling average
- 14-day waiting period to move into next severe response level
- Exit a stage if above a flow trigger for a 7-day rolling average (no waiting period)



Stage	Mills River (USGS 03446000) cfs	FBR Blantyre (USGS 03443000) cfs	FBR Fletcher (USGS 03447687) cfs
1 - Advisory	<42	178	237
2 - Warning	<42	165	214
3 - Alert	<42	158	201
4 - Emergency	<42	145	178

Setting Stage Triggers

- A River’s 7Q10 - hydrologic benchmark representing the lowest consecutive 7-day average streamflow that statistically occurs once every 10 years.
- Regulatory agencies generally allow withdraws of 20% of 7Q10 streamflow and broadly assume no environmental impacts
- Hendersonville’s triggers and response are set by the utility – a policy decision

Stage	Source Water Demand	Withdraw within 20% 7Q10	Response
1 - Advisory	Current Full Capacity – 15mgd	Yes	Voluntary. Limit all non-essential uses
2 - Warning	Current Average Day Demand – 7.75mgd	Yes	Mandatory. Further limit or prohibit certain non-essential uses
3 - Alert	20% of Reduction of Current Average Day Demand –	Yes	Mandatory. Prohibit non-essential uses. Limit socially and economically essential uses.
4 - Emergency	30% Reduction of Current Average Day Demand – Severe Condition	No	Mandatory. Essential uses only. Water rationing.

Water Use Classifications – (No Changes)

Class	Domestic	Commercial/Industrial	Public
Essential	Sustain life, hygiene and basic sanitation	none	Public Safety, Firefighting, Hospital and Patient Care
Socially/Economically Essential	Kitchen, laundry, minimal watering of vegetables/trees to sustain life	Commercial vehicle washing, laundromats, irrigating golf course greens, minimal irrigation to sustain livestock/crops, cooling operations	Filling Swimming Pools indented for use by public serving multiple households, schools, government facilities
Non-Essential	Washing vehicles, lawn irrigation, washing impervious surfaces, ornamental fountains etc.	Irrigating lawns, parks, golf courses	Irrigating public parks and recreational areas

Frequency Analysis: Proposed Triggers with Current Demands

- With current proposed triggers and associated WSRP assumptions, drought stages are almost never triggered with historical hydrology
- The proposed trigger levels for the French Broad flow, especially at Fletcher, are the most limiting to WSRP stage implementation– flows rarely drop below the proposed trigger levels

WSRP Stage Frequency Analysis				
	Stage 1 or greater	Stage 2 or greater	Stage 3 or greater	Stage 4 or greater
Total days (in Pd. of record)	80	40	0	0
Total yrs	3 (1954, 2002, 2009)	1 (1954)	0	0

	Mills River 7-Day Avg Flow	FB @ Blantyre 7-Day Avg Flow	FB @ Fletcher 7-Day Avg Flow
Days where Stage 1 trigger is met	3.80%	0.30%	0.12%
Days where Stage 2 trigger is met	3.80%	0.19%	0.02%
Days where Stage 3 trigger is met	3.80%	0.14%	0.00%
Days where Stage 4 trigger is met	3.80%	0.09%	0.00%

Current Plan

Stage Title	Reduction Goal	Allowable Rate Surcharge	Effectiveness
1 – Advisory	10%	0%	Voluntary
2a – Alert Level1	20%	110%	Mandatory
2b – Alert Level 2	30%	120%	Mandatory
3 - Emergency	40%	130%	Mandatory

Proposed Plan

Stage Title	Reduction Goal	Allowable Rate Surcharge	Effectiveness
1 - Advisory	5%	0%	Voluntary
2 - Warning	10%	110%	Mandatory
3 - Alert	20%	120%	Mandatory
4 - Emergency	30%	130%	Mandatory

Summary of Changes

- FBR Intake reduces the historic daily hydrologic data frequencies:

Stage/Level	Current WSRR Occurrence Frequency	Proposed WSRP Occurrence Frequency	Reduction
1 – Advisory	23.6%	0.12%	99.5%
2 - Warning	17.6%	0.02%	99.9%
3 - Alert	14.1%	0%	~100%
4 - Emergency	9.1%	0%	~100%

- Minor revisions to stage titles and reduction goals
- No major revisions to conservation measures and procedures

D. Proposed Utility Billing Policy Changes – *Krystal Powell, Finance Director*

Finance Director Krystal Powell gave the following PowerPoint presentation.



Why Action Is Needed

\$844,000

Total uncollected utility balance

92%

Of balances are 120+ days old

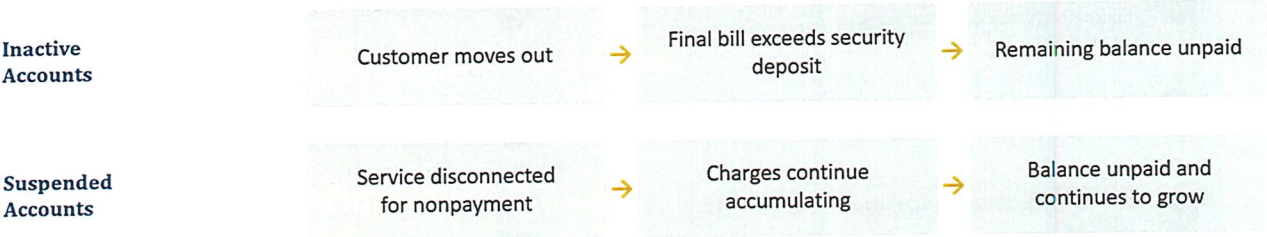
Balances aged past 120 days are historically very difficult to recover.

Outstanding Utility Receivables

Category	# of Accounts	Uncollected Balance
Inactive Accounts	4,800	\$621,000
Suspended Accounts	240	\$223,000
Total Outstanding	5,040	\$844,000

Without intervention, these balances continue to grow — shifting costs onto paying customers and weakening the utility fund's financial position.

How Unpaid Balances Occur



Result

Large balances that age into uncollectible debt turning into missed utility revenue and bad-debt the utility fund must absorb.

What Have We Already Done?

Independent Utility Billing Business Review

- Reviewed operations, policy, security deposits & aging/collection processes
- Benchmarked against municipal utility best practices
- Delivered a roadmap of improvements

Strengthened Internal Operations

- Restructured Finance Dept. responsibilities
- Added dedicated collection specialist
- Increased focus on delinquent account management

Improved Collection Efforts

- Partnered with a professional collection agency
- Established formal collection procedures
- Expanded tools and ACH campaigns

Updated Security Deposit Requirements

- First comprehensive review in 7 years
- Better aligned deposits with customer risk & utility usage
- Reduces future bad debt and protects paying customers

Guiding Principles

Fiscal Responsibility

Protect utility revenues that fund City services and infrastructure.

Customer Fairness

Treat customers consistently and equally under policy and ordinance.

Operational Efficiency

Simplify administration and improve consistency across billing operations.

Governance & Compliance

Align contracts, policies, and ordinance with legal best practices.

Why Are We Proposing Changes?

These recommendations are designed to:



Reduce bad debt and improve revenue recovery to help maintain affordable utility services



Protect paying customers



Improve collection rates



Provide consistency between Ordinance, Billing Policy, and Customer Contracts



Protect utility revenues and support long-term rate stability



Legally protect the City

Recommended Council Actions



1 Clarify Property Owner and Tenant Responsibilities



2 Reduce Days of Exposure from 96 to 68 Days for Disconnection of Service



3 Update the Leak Adjustment Policy



4 Corrective Billing & Late Fee Policy Updates



5 Improve Collection Processes and Reduce Uncollectible Accounts



6 Align Ordinance, Billing Policy, and Customer Contract Terms

EXPECTED OUTCOMES

- ✓ Reduced bad-debt write-offs
- ✓ Increased legal & regulatory compliance for the City
- ✓ Fairer treatment across all customers
- ✓ Greater consistency across Ordinance, Billing Policy, & Customer Contract Terms
- ✓ Protect utility revenues

Property Owner & Tenant Responsibility



Current Challenge

When a tenant or owner leaves or stops service without paying the remaining balance, collection opportunities are very limited.

We have not been able to hold tenants or owners liable for these balances before they can request new service on a new property location.

KEY RECOMMENDATION



Proposed Solution

- Update contract terms that hold the property owner or tenant liable for paying balance on account before they can start service on a new account
- Service automatically transfers to owner once tenant service ends and owner responsible for charges
- No owner deposit for non-owner-occupied property
- Formal process to dispute amounts owed
- Ordinance, Policy & Contract updated to best practices



Result

Improved collections

Reduced bad debt

Greater accountability

Reduction of Days of Exposure

Disconnection of Service for Unpaid Utility Accounts

Current Process



Proposed Process



28 Days Sooner

Approximately 4 weeks earlier

BENEFITS

- ✓ Multiple customer notifications remain in place (4 notices go out before customer disconnected)
- ✓ Earlier identification of delinquent accounts
- ✓ Lower unpaid balance accumulation
- ✓ Improved collections



Customer Benefit: Disconnection dates will now appear directly on bills

Giving customers a clear, visible deadline to pay on time and avoid service interruption

Leak Adjustment Requests



Eligible (Non-Preventable)

- ✓ Underground service line leaks between meter and structure
- ✓ Hidden plumbing or fixture failures, include running toilets
- ✓ Sudden pipe bursts
- ✓ Service line failures not attributable to customer action
- ✓ Internal leaks not visible or reasonably discoverable



Not Eligible (Preventable)

- X Faucets or spigots left running
- X Hoses left on
- X Irrigation systems left operating unattended
- X Customer negligence or misuse (e.g. improperly closed valves)



Goal: Provide relief for unexpected leaks while encouraging responsible water use.

Leak Adjustment Request Form — available on the City website under Customer Service

Leak Adjustment Policy

Current vs. Proposed

Current	Proposed
No language in current policy regarding preventable leaks vs non-preventable leaks	Preventable Leaks will not be eligible for leak adjustment
Eligible for one adjustment every 36 months	Eligible for one adjustment every 24 months
\$5 minimum leak adjustment to qualify for processing	\$20 minimum leak adjustment to qualify for processing
\$1,000 maximum adjustment allowed water and sewer combined	\$3,000 maximum adjustment allowed water and sewer combined
Proof of leak being repaired not currently required	Require proof that leak has been repaired
Large leaks require bills to be recalculated using the lowest volumetric rate, followed by a fixed dollar adjustment.	Leak adjustments are calculated using each customer's normal water usage rate, providing a more equitable and consistent adjustment.

Leak Adjustments: Current vs. Proposed

Sample Adjustment Comparisons

Current	Proposed	Difference
\$190.78	\$209.41	+\$18.63
\$83.62	\$116.34	+\$32.72
\$2,839.23	\$3,000.00	+\$160.77

Most customers would see equal or improved assistance under the proposed policy.

FY26 DATA

429 leak adjustments totaling \$216,585 | Average of \$505 per adjustment

8.62% of leak adjustments exceeded \$1,000

Fewer than 1% of leak adjustments were under \$20



\$216,585

Total leak adjustments issued in FY26

\$505

Average adjustment amount

429

Adjustments processed

Corrective Billing & Late Fee Policy

Current vs. Proposed

Policy Area	Current	Proposed
Corrective Billing Adjustments	Two-year correction period if customer underbilled; indefinite correction period if customer overbilled.	Two-year correction if customer underbilled and two-year correction if customer overbilled
Late Fee Penalty	Assessed 10 days after due date	Assessed 1 day after due date

WHY THIS MATTERS

✓ Ensures corrective billing changes are applied consistently across all accounts

✓ Earlier delinquency signal supports faster collections

✓ Consistent with industry best practice on applying late fees

Benefits to the City

These initiatives are designed to reduce bad debt, improve collection rates, protect utility revenues, and minimize the financial burden placed on paying customers — while creating consistency between Ordinance, Billing Policy, and Customer Contracts.

A comprehensive update of the Customer Contract, Ordinance, and Billing Policy streamlines processes, incorporates industry best practices, strengthens collections and enforcement, and better protects the financial interests of the City and its customers.



Helps keep the City legally compliant.

RESULTS

✓ Fairer for Customers

✓ Consistent and Transparent Administration

✓ Reduced Financial Risk

✓ Sustainable Utility Operations

✓ Greater Rate Stability Over Time

1

2

3

NEXT STEPS

Timeline, adoption process, and implementation actions

PATH TO ADOPTION

Implementation Timeline



WHAT TAKES EFFECT

- New customer contract terms
- Ordinance amendment
- Billing policy amendment
- Credit card fees absorbed by customer
- Disconnection 4 weeks earlier for unpaid account balances
- Collection efforts kick off
- New leak adjustment policy
- Other minor policy changes

IMPLEMENTATION STEPS

- ✓ Staff training
- ✓ Customer notification campaign (letters, social media, website, realtors, attorneys)
- ✓ New contracts process made easy — customers can complete electronically without visiting City Hall
- ✓ Late Fee and Delinquent Account Fee waived for 2 months for customers to get used to new processes

Questions?

E. Data Center Moratorium Update – *Angie Beeker, City Attorney*

City Attorney Angie Beeker gave the following PowerPoint presentation.



Data Centers

- “In its simplest form, a data center is a physical facility that houses and runs large computer systems. A data center typically contains multiple computer servers, data storage devices, and network equipment that can provide IT infrastructure service for organizations to store, manage, process, and transmit large amounts of data.” *Data Centers and Their Energy Consumption: Frequently Asked Questions, Congressional Research Service, May 12, 2026*
 - Enterprise data center: one company builds, owns, and operates its own on-premise data center to manage its own IT infrastructure
 - Managed data center: owned and operated by a third-party company, third party companies collocate or rent space, equipment or services
 - Cloud data centers: geographically distributed and interconnected data centers which allow multiple users to remotely access computing resources
 - Edge data centers: smaller data centers operated by cloud providers located close to end users

Data Centers:

- Hyperscale data centers: *Data Centers and Their Energy Consumption: Frequently Asked Questions, Congressional Research Service, May 12, 2026*
 - At least 5,000 computer servers and large scale of network equipment
 - Occupy at least 10,000 square feet of physical space
 - Electrical power rating exceeding 100 megawatts (roughly equivalent to electricity usage of 80,000 US households)



Definitions of a Data Center

"Any facility that primarily contains electronic equipment used to process, store, and transmit digital information, which may be (A) a free-standing structure; or (B) a facility within a larger structure, that uses environmental control equipment to maintain the proper conditions for the operation of electronic equipment." *Section 453(a)(1) of the Energy Independence and Security Act of 2007*

"A facility, campus of facilities, or array of interconnected facilities used by an entity or other business enterprise for the primary purpose of storing, retrieving, managing, and processing digital data, which has a peak monthly electricity demand of 100 megawatts or greater. The term 'data center' does not include a facility or portion of a facility containing electronic equipment that is incidental to and used in support of a business whose primary business activity is not the storing, retrieving, managing and processing of digital data." *SB730*

"A facility of 4,000 square feet or greater, containing a grouping of computer servers and associated equipment and systems used for the remote storage, processing, or distribution of data, for purposes other than cryptocurrency mining operations. Data Centers less than 4,000 square feet cumulative total of all buildings shall be regulated as manufacturing and processing operations." *Henderson County UDO Definition (contains separate def for cryptocurrency mining operations).*

Data Centers: Why all the concern?

Energy consumption

Water consumption

Noise

Proliferation due to demands for Artificial Intelligence and cryptocurrency mining

Outdated local regulations insufficient to regulate their placement within the jurisdiction.

Pre-existing incentives – in NC no sales tax paid on electricity supplied to data centers

Moratoria – NCGS § 160D-107

- Temporary halt of development
 - "Reasonable duration" in light of the specific conditions that warrant imposition of moratorium
 - Cannot exceed period of time necessary to correct, modify, or resolve such conditions
- Moratorium applies to development approvals required by law
 - NCGS 160D-102(13) Development approvals:
 - Administrative or quasi judicial approval
 - Written
 - Issued under Chapter 160D
 - Required prior to commencing development, or undertaking specific activity, project or development proposal
 - Zoning permits
 - Site plan approvals
 - Special Use Permits
 - Variances
 - Certificates of appropriateness
 - Building permits
 - Plat approvals
 - All other regulatory approvals required by City ordinances adopted under Chapter 160D

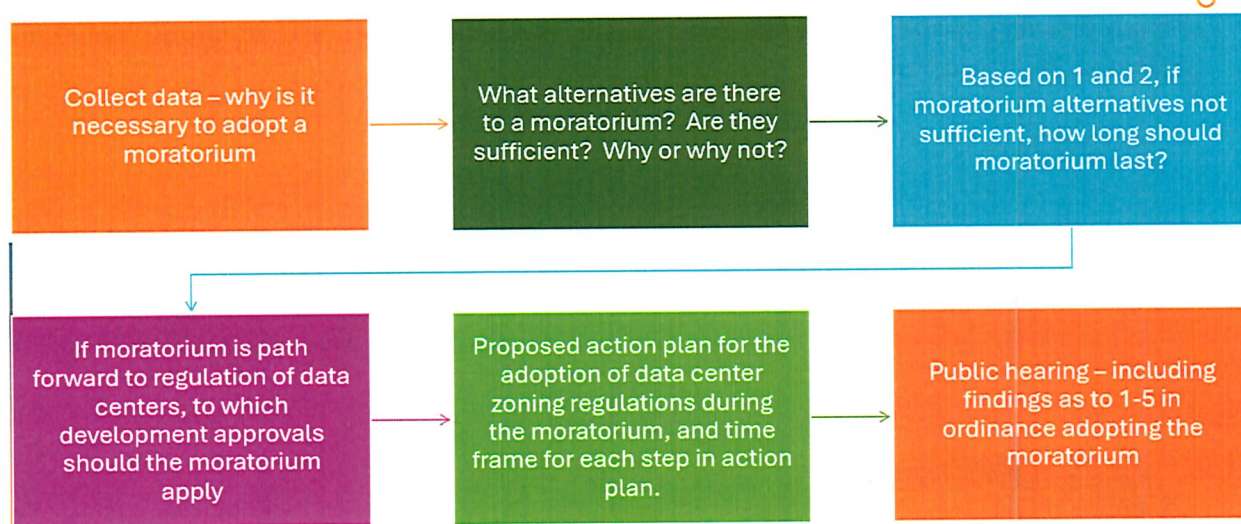
Moratoria – NCGS § 160D-107

- May not adopt a moratorium for the purpose of developing new or amended plans or regulations governing residential uses.
- Public Hearing is Required
 - 60 days or less: At least 7 days notice published in newspaper prior to hearing
 - 61+ days: Comply with NCGS 160D-601 – published in newspaper once per week for two successive weeks, first notice no less than 10 nor more than 25 days before the hearing.
- Certain projects exempted
 - Valid building permit issued and outstanding
 - SUP applied for and application is complete
 - Site specific vesting plan approved
 - Common law vested right established (substantial expenditures made in good-faith reliance on prior valid development approval)
 - Preliminary or final subdivision plat applied for prior to the call for public hearing
- Permit Choice applies

Moratoria – NCGS § 160D-107

- Required Statements:
 - Problems or conditions necessitating moratorium
 - What alternatives to a moratorium were considered and why the alternatives were not deemed adequate
 - Which development approvals* will be subject to a moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium.
 - *Administrative and quasi-judicial approvals only.
 - A date for termination, and why that duration is reasonably necessary to address the problems or conditions stated.
 - A statement of the actions, and a schedule for those actions, proposed to be taken during the moratorium to address the problems or conditions stated.
- Cannot be extended or renewed unless all actions steps taken and new facts and conditions arise warranting the extension or renewal.

Data Center Moratorium – steps forward



Motion

- I move that a public hearing be scheduled to consider the adoption of an ordinance imposing a moratorium not to exceed _____ months on all development approvals required for the development of a data center or cryptocurrency mining facility within the planning and zoning jurisdiction of the City of Hendersonville, to be held at 5:45 p.m., or as soon thereafter as City Council may hold the hearing, at City Operations Center, 305 Williams Street, Hendersonville, NC, in the large first floor meeting room.

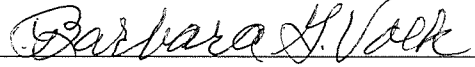
SB 730 -

- New NCGS 160D-974 – Site assessment required
 - Must submit site assessment to local government
 - Must examine sound profile on residential units and schools within 500 ft
 - May require examination of effect on water resources, air quality, thermal plumes, agricultural resources, parks, registered historic sites and forestland on site or adjacent
- New NCGS 143-355.5A – Water use standards for data centers.
- Prohibition of certain foreign ownership of data centers in NC (China, Iran, North Korea, Russia)
- Provisions for utility service contracts with electrical providers to govern use and cost of service for data centers
- New NCGS 40A-14 – No condemnation for data centers
- New provision to NCGS 158-7.1 (Economic Development Statute) – no incentives for data centers

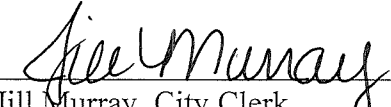
Council Member Gina Baxter moved that a public hearing be scheduled to consider the adoption of an ordinance imposing a moratorium not to exceed twelve months on all development approvals required for the development of a data center or cryptocurrency mining facility within the planning and zoning jurisdiction of the City of Hendersonville, to be held at 5:45 p.m. on September 3, 2026, or as soon thereafter as City Council may hold the hearing, at City Operations Center, 305 Williams Street, Hendersonville, NC, in the large first floor meeting room. A unanimous vote of the Council followed. Motion carried.

5. ADJOURN

There being no further business, the meeting adjourned at 5:32 p.m. upon unanimous assent of the Council. No further action was taken.


Barbara G. Volk, Mayor

ATTEST:


Jill Murray, City Clerk