

**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE MARINE
COMMISSION HELD TUESDAY, DECEMBER 13, 2016, 5:00 P.M. AT THE
LAKE LURE MUNICIPAL CENTER**

PRESENT: Mayor Bob Keith
Commissioner John W. Moore
Commissioner Mary Ann Silvey
Commissioner Bob Cameron
Commissioner Stephen Webber

Ron Nalley, Town Manager
Attorney Chris Callahan

ABSENT: N/A

CALL TO ORDER

Mayor Bob Keith called the meeting to order at 5:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Attorney Chris Callahan gave the invocation and Council led the pledge of allegiance.

APPROVAL OF THE AGENDA

Mayor Bob Keith stated that the proposed 2017 Marine Commission Meeting Schedule was included in the meeting material packet, but approval of the schedule was omitted from the Agenda. Mayor Keith suggested that approval of the 2017 Marine Commission Meeting Schedule be added to the Consent Agenda as item 6b. Commissioner Stephen Webber asked that discussion concerning Commercial Marine Liability Insurance Requirements be added to the Agenda as item 7a under new business and that items already listed on the New Business Agenda be renumbered as 7b and 7c. Commissioner Bob Cameron made a motion to approve the Agenda as amended. Commissioner Mary Ann Silvey seconded and the motion carried 4-0.

PUBLIC FORUM

Mayor Bob Keith invited the audience to speak during public forum.

Eric Kunath of 167 Gottlieb Getaway stated that he came to Town Hall to purchase his commercial boat permit for 2017 and was informed about the proposed fee increase for commercial boat permits. Mr. Kunath expressed his concern about the

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amount of the proposed increase and stated that he expected a small increase, but the proposed fees seem excessive. Mr. Kunath further explained that his company has already contracted jobs for the upcoming months before he knew about the significant boat permit fees increase.

Logan Hartzog of 323 Matho Trace provided an update on his business's first season of lake commercial operation. Mr. Hartzog explained that he is currently classified as a tour boat operation and expressed concerns about the proposed fee increase. Mr. Hartzog stated that he will not be able to continue to operate his business with the proposed increase and suggested that the Board consider re-categorizing his business in the commercial model since he provides taxi service, not tour boat services.

John Chapman of 274 Firefly Cove described different contract types for boats on the lake and stated that his boat cannot be rented on its own, unlike some commercial boats used on the lake, and can only be used by renting his house. Mr. Chapman explained that the more people who come to Town, the greater the revenue that may be generated.

Tom McKay of 193 Gateway Drive explained that he is a business owner and the cost of operation is creeping up, but when the increase is as extreme as the proposed commercial boat permit fee increase, the Town should tax everyone. Mr. McKay explained that putting the burden on the businesses doesn't make sense. Commissioner Bob Cameron explained that there is a cost of around \$660,000 per year to operate the lake.

Michael Lewis, operator of a fishing guide business on the lake, stated that because his service is commercial there is a difference in insurance cost and a large increase in the commercial boat permits fee could put some people out of business. Mr. Lewis agreed that an increase is necessary, but stated that the proposed amount may hurt businesses.

Michael Yelton of 193 Sunset Drive, operator of a fishing guide business on the lake, stated that the proposed fee increase is too much. Mr. Yelton questioned whether the fee would perhaps double again in the future and stated that an increase in taxes may be necessary to help fund the lake. Mr. Yelton further stated that, compared to requirements for other local lakes, the proposed fee is too high and that the dam and permit fees can not cover the entire operational cost of the lake. In response to Mr. Yelton's concerns, Commissioner Stephen Webber explained that the proposed commercial operation fees are just one step in working towards funding lake operations.

Commissioner Bob Cameron urged everyone to attend the Lake Advisory Board meetings to present their ideas concerning potential funding options for the lake.

a. **PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 16-012-13
AMENDING SECTION 1.51 OF THE LAKE USE REGULATIONS
CONCERNING COMPLEMENTARY BOAT PERMITS FOR
GOVERNMENTAL AGENCIES AND CONTRACTORS PROVIDING LAKE-
RELATED SERVICES TO THE TOWN**

Mayor Bob Keith opened a public hearing concerning adoption of Resolution No. 16-12-13 amending section 1.51 of the Lake Use Regulations granting complementary boat permits for governmental agencies and contractors providing lake-related services to the Town. No one requested to speak at this time.

Commissioner Stephen Webber stated that the fourth "whereas" statement in the proposed Resolution does not relate to the topic and needs to be re-written by the Town Manager. Commissioner Webber also asked that the statement "without a boat permit" be added to section 1.51(D) making the first sentence of 1.51(D)(2) state that "Contractors that are providing a lake-related service to the Town of Lake Lure under a Town sponsored project, without a boat permit, will receive a complimentary boat permit" and that a statement be added to 1.51(D)(2) stating the "permits granted under this section are only valid for the duration of the project." Commissioner Webber also asked that "Presiding Officer" be changed to "Mayor" at the end of the proposed Resolution.

Commissioner Bob Cameron made a motion to approve Resolution No. 16-12-13 as amended including the changes presented, Commissioner Mary Ann Silvey seconded and the motion carried 4-0.

RESOLUTION NO. 16-12-13

**OF THE TOWN OF LAKE LURE MARINE COMMISSION
AMENDING THE LAKE USE REGULATIONS CONCERNING
COMPLIMENTARY BOAT PERMITS FOR GOVERNMENTAL AGENCIES
AND CONTRACTORS PROVIDING A LAKE-RELATED SERVICE TO THE
TOWN**

WHEREAS, the Lake Lure Town Council has created the Lake Lure Marine Commission as authorized by special act of the General Assembly of the State of North Carolina for the purposes of regulating all activities on Lake Lure; and

WHEREAS, the Lake Use Regulations were adopted by resolution on March 9, 2004; and

WHEREAS, the Lake Lure Marine Commission, upon the recommendation of the Lake Lure Lake Advisory Board, has determined that said regulations should be amended to further define and regulate activities on Lake Lure; and

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WHEREAS, it is a goal of the Lake Use Regulations to provide a uniform method of securing boat permits while allowing circumstances under which complimentary boating permits are appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE LAKE LURE MARINE COMMISSION that the following revisions to the lake use regulations are hereby placed in effect and shall be enforced by the Town of Lake Lure:

[Words ~~stricken through~~ to be deleted, words underlined to be added]

SECTION ONE. Amend Section 1.51 as follows:

§ 1.51 PERMIT FEE; BOATING PERMIT REQUIRED.

- (A) Except as hereinafter provided, all persons, firms, or corporations shall secure a permit from the marine commission or its designated agents before placing, operating, or allowing any water vessel to be placed or operated on Lake Lure.
- (B) All commercial operations must apply for a lake commercial license in accordance with section 1.57 and 1.59 of these regulations. **Amended 4-11-06**
- (C) All town employees and any member on the active roster of the Lake Lure, Bill's Creek, Chimney Rock, or Fairfield Volunteer Fire Departments shall be entitled to receive one complimentary annual water vessel permit. A member on the active roster of the Bat Cave, Gerton or Sunny View Volunteer Fire Departments may purchase one annual water vessel permit at the resident rate. A member on the active roster of the Hickory Nut Gorge Emergency Medical Service shall be entitled to one complimentary annual water vessel permit. **Amended 7-12-11**
- (D) (1) Federal, State and Local governmental agencies are exempt from this Section provided they are operating in an official capacity, including but not limited to training, research, data collection, emergency response, or other service related duties. Complimentary permits will be provided for the dates and times needed to perform their official duties, and will only require a valid registration. Vessel length restrictions shall not be imposed. Vessels permitted under this policy shall not be used for recreational activities.

(2) Contractors that are providing a lake-related service to the Town of Lake Lure under a Town sponsored project, without a boat permit, will receive a complimentary boat permit. Permits granted under this section are only valid for the duration of the project. Valid registration and insurance will be required. Vessel length restrictions shall not be imposed. Vessels permitted under this policy shall not be used for recreational activities.

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~~(E)~~(D) All water vessel permit fees shall be assessed according to a schedule of permit fees adopted from time to time by the marine commission. **Amended 4-11-06**

~~(F)~~(E) (1) Water vessel permit fees for “non-residents” may be set at a greater amount than water vessel permit fees for residents. **Amended 4-11-06**

(2) Corporations owning real property in the Town of Lake Lure may purchase an annual water vessel permit at resident rates, provided the proper registration papers can be presented showing the boat is registered to the corporation.

(3) Residents or their spouses who own an improved lot (a lot with a dwelling or commercial structure) qualify for up to 3 resident annual motorized over 10 HP boat permits, provided that the maximum number of permits for motorized over 10 HP boats have not been issued. Non-resident children and other relatives do not qualify for permits at the resident rate. **Amended 4-11-06, 2-13-07**

(4) Property owners or their spouses owning an unimproved lot qualify for 1 annual motorized boat permit or 1 peak season weekday only permit. **Amended 4-11-06, 2-13-07, 9-09-14**

~~(G)~~(F) The valid and current state registration of the water vessel must be presented to the designated issuing agent when purchasing a Lake Lure water vessel (boat) permit. A resident’s or property owner’s registration must match the name on the town’s tax records for the permit to be issued as a resident permit. Commercial operators must present tax records if their water vessel is registered with a leasing agency.

~~(H)~~(G) Owners of timeshare properties within the Town of Lake Lure may purchase one motorized boat permit at the resident rate for the week(s) for which they have a timeshare contract. Verification of the contract is required. **Amended 4-11-06**

~~(I)~~(H) For 2012 and until amended, the marine commission has adopted the following limits on motorized boat permits:

- (1) A maximum of 1,000 resident annual unlimited use permits for boats with more than 10 HP.
- (2) A maximum of 250 resident annual peak season weekday (no use on holidays), unlimited off-peak season permits for boats with more than 10 HP.
- (3) A maximum of 75 non-resident annual unlimited use permits.
- (4) A maximum of 75 non-resident annual peak season weekday (no use on holidays), unlimited off-peak season permits for boats with more than 10

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HP. Amended 12-11-12

~~(J)~~(I) Owners of lakefront lots having structures thereon shall have the E911 designated address assigned to the property posted abutting the lakeshore in accordance with § 42.06 of this code. Said signs shall be ordered through the town office before any annual water vessel permit may be obtained from the town. **Amended 4-11-06**

~~(K)~~(J) The marine commission will determine the total number of available commercial and/or non-commercial boat permits based on a schedule of permit limits. To insure the health, safety and welfare of those who use the lake, the schedule will be reviewed annually; utilizing standards established by the marine commission which may include, but are not limited to formulas utilized by the US Army Corps of Engineers, Department of the Interior, Environmental Protection Agency and data from the Coast Guard and the Town of Lake Lure.

~~(L)~~(K) All applications for motorized boat permits must be accompanied by proof of marine liability insurance coverage written by a company approved by the state of North Carolina and AM Best. All non-commercial motorized applications must have minimum marine liability coverage of \$300,000.00 per incident. All applicants for commercial motorized boat permits must hold a lake commercial license, and adhere to the insurance requirements defined under section (3) below. Proof of marine liability insurance coverage shall be the actual marine liability insurance policy (or either a copy of the marine liability insurance policy or certificate of marine liability insurance faxed directly to town from insurance provider) which specifically references boat that a permit is being requested for, states liability limits for said boat, and identifies effective and renewal dates for policy. **Amended 11-9-04, 4-28-05** (Res. Passed 3-9-04) Penalty, see § 1.99

Adopted this 13th day of December, 2016.

CONSENT AGENDA

Mayor Bob Keith presented the Consent Agenda and asked if any items should be removed before calling for action.

Commissioner Bob Cameron made a motion to approve the Consent Agenda as amended. Commissioner Mary Ann Silvey seconded and the motion carried 4-0. Therefore, the consent agenda incorporating the following item was unanimously approved:

- a. Approve Minutes – September 13, 2016 (Regular Meeting)

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- b. Marine Commission Meeting Schedule for 2017

LAKE LURE MARINE COMMISSION MEETING SCHEDULE FOR YEAR 2017

<u>DATE</u>	<u>LOCATION</u>	<u>TIME</u>	<u>TYPE</u>
March 14, 2017	Lake Lure Municipal Center	5:00 p.m.	Regular
June 13, 2017	Lake Lure Municipal Center	5:00 p.m.	Regular
September 12, 2017	Lake Lure Municipal Center	5:00 p.m.	Regular
December 12, 2017	Lake Lure Municipal Center	5:00 p.m.	Regular

**a. DISCUSSION OF INSURANCE REQUIREMENTS FOR
COMMERCIAL LIABILITY INSURANCE**

Commissioner Stephen Webber questioned the reasoning behind the \$1,000,000 liability insurance policy requirement for commercial boat owners. Commissioner Webber stated that he researched Minutes from the time the requirement was adopted, but was unable to ascertain specific reasoning for the amount.

Commissioner John Moore asked if it is possible to insure a commercially permitted boat on a personal insurance policy if the required insurance amount is lowered. Commissioner Moore stated that he was told by a local company that \$300,000 of liability insurance can be covered, but that the remaining \$700,000 of commercial liability coverage must be purchased through a specialty company.

John Kilby, a North Carolina Farm Bureau agent who was in the audience, explained that it is not the amount that prohibits coverage under a personal policy, it is the commercial classification of the insurance that prohibits it from being included on personal policies.

Commissioner Moore asked if having the Town listed as coinsured has any effect on the cost of the policy or if it is necessary. Town Attorney Chris Callahan explained that the Town is not necessary liable in the event of an accident.

The Board agreed that the topic should be reviewed further and discussed at a later date.

b. CONSIDER APPROVAL OF THE 2017 BOAT PERMIT FEE SCHEDULE

Commissioner Stephen Webber explained that three fees were added to the proposed fee schedule since the meeting material was distributed. Commissioner Webber stated that he would like to now remove the last two items from the proposed fee schedule to allow additional review of the potential fees before they are considered for approval. Commissioner Webber gave a brief overview of the proposed 2017 lake fee schedule. Commissioner Bob Cameron made a motion to approve the 2017 Lake Fee Schedule as amended. Commissioner Mary Ann Silvey seconded. Commissioner John Moore explained that he was under the impression that there was a possibility of decreasing the cost of required insurance for commercial boat owners that might offset the fee increase, however since this may not be the case, he believes the proposed fees are too high. Commissioners Stephen Webber, Mary Ann Silvey and Bob Cameron voted in favor of the motion and Commissioner John Moore opposed. The motion carried 3-1. Commissioner Webber asked Commissioner Moore to clarify if he was opposed to the entire fee schedule or just the commercial fees. Commissioner Moore explained that he has concerns about the commercial boat permit fee increase.

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LAKE USE		Effective: January 1, 2017	
RESIDENT Boat Permits	Annual Fee	Weekly Fee	Daily Fee
Resident Annual Motorized Boat Permit	\$200		
Resident Annual Motorized Weekday Only Boat Permit	\$100		
Resident Annual Motorized 10hp or less Boat Permit	\$100		
Resident Annual Motorized Fishing Boat Permit less than 50hp	\$75		
Resident Annual Non-motorized Boat Permit	\$40		
NON-RESIDENT Boat Permits			
Non-resident Annual Motorized Boat Permit	\$550		
Non-resident Annual Motorized Weekday Only Boat Permit	\$350		
Non-resident Annual Motorized 10hp or Less Boat Permit	\$350		
Non-resident Annual Motorized Fishing Boat Permit less than 50hp	\$130		
Non-resident Annual Non-motorized Boat Permit	\$100		
MISCELLANEOUS Boat Permits			
Daily Motorized Boat Permit (Non-peak Season)			\$50
Daily Motorized Boat Permit (Peak Season Weekday Only)			\$50
Daily Non-motorized Boat Permit			\$25
Weekly Motorized Boat Permit (Peak Season)		\$300	
Weekly Motorized Boat Permit (Non-peak Season)		\$125	
Weekly Non-motorized Boat Permit		\$50	
Weekly Timeshare Boat Permit		\$200	
Boat Permit Replacement Fee	\$10		
Temporary Permit (Special Use)	\$10		
Complimentary Annual Motorized Boat Permit – active volunteer firefighters, EMS, town employees (1 each)	1 complimentary		
COMMERCIAL Boat Permits			
Commercial License Fee	\$45		
Surcharge for Processing a Commercial License Application Received After the Deadline	\$100		
Commercial Motorized Boat Permit Classifications 1 (Livery), 2 (Resort), 3 (Camps) and 4 (Ski-Schools)	\$1,500		
Commercial Motorized Boat Permit Classification 5 (Tour Boats)	\$2,000		
Commercial Motorized Boat Permit Classifications 6 (Fishing Guides) and 7 (Service boats)	\$500		
Commercial Motorized 10hp or Less	\$500		
Commercial Non-motorized	\$100		
Marina Slip Rentals	Annual Fee		
Annual Boat Slip Fee (Property Owners/Residents)	\$1,100		
Annual Boat Slip Fee (Non-residents)	\$1,500		
Civil Penalties (Lake Citations)	1st Offense	2nd Offense	3rd Offense
Class A	\$50		
Class B	\$65	\$125	\$250
Class C (Non-motorized)	\$50	\$100	\$200
Class C (Motorized)	\$125	\$250	\$500
Class D	\$1,000		
Lake Structure Applications			
Lake Structure Permit	\$250		
Shoreline Stabilization	\$0		
Seawall Exemption	\$150		
Decktop Accessory Structure	\$150		
Lake Structure Variance	\$300		
Lake Structure Adm. Appeal	\$300		
Commercial Lake Structure Fees (due March 31 each year)			
RVR over the water (fee for each taxed bedroom)	\$500		

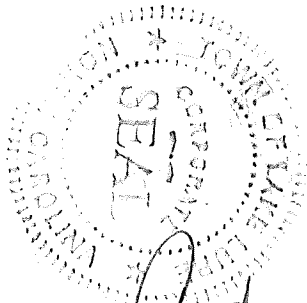
c. **CONSIDER APPROVAL OF THE 2017 LAKE COMMERCIAL
LICENSES**

Lake Operations Director Dean Givens presented a list of recommendations concerning approval of the 2017 lake commercial licenses. Mr. Givens explained that all businesses that applied for a 2017 license by the November 1, 2016 deadline fit into the commercial model and were recommended for approval.

Commissioner Bob Cameron made a motion to approve that 2017 lake commercial license as presented. Commissioner Stephen Webber seconded and the motion carried 4-0.

ADJOURNMENT

With no further business, Commissioner Bob Cameron made a motion to adjourn the meeting at 5:05 p.m. Commissioner Mary Ann seconded and the motion carried 4-0.



A handwritten signature in cursive script, reading "Andrea H. Calvert".

Andrea H. Calvert
Lake Lure Marine Commission Clerk