

Incorporated 1927

Town of Lake Lure

P. O. Box 255 • Lake Lure, NC 28746-0255 • 704/625-9983 • FAX 704/625-8371

MINUTES OF THE SPECIAL BUDGET WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD FRIDAY, JUNE 23, 1995, 9:30 A.M. AT THE LAKE LURE TOWN HALL

PRESENT: Mayor Max E. Lehner
Mayor Pro-tem Bud Schichtel
Commissioner Bill Bush
Commissioner Bill Church

John R. Strutner, Town Manager
Sam Karr, Finance Director

ABSENT: Commissioner Donovan

CALL TO ORDER

Mayor Lehner called the meeting to order at approximately 9:30 a.m. and requested the clerk to note that a quorum was present.

DISCUSSED PROPOSED BUDGET ITEMS FOR FISCAL YEAR 1995-96

Finance Director Sam Karr presented Council with revised summary sheets of revenues and expenditures for the current Budget Fiscal Year 1994-95 and proposed Budget Fiscal Year 1995-96 for their review (Summary Reports attached).

Council reviewed a revised Capital Improvement List for Fiscal Year 1995-96 and reviewed a report on the fire boat project submitted by Town Manager Strutner (Revised Capital Improvement List and report attached).

It was the consensus of Council to increase the miscellaneous account to \$1,000 and continue budgeting a contribution to the Rutherford County Child Abuse Response Team.

Page 2 - Minutes of the June 23, 1995 Budget Workshop Meeting

Town Manager Strutner suggested that Council consider the option of passing a resolution regarding the fire boat project.

After discussion regarding budgeting a fire boat project, Commissioner Bush moved, seconded by Commissioner Schichtel, to do the following:

- 1. Earmark \$50,000 out of the unencumbered fund balance for the fire boat project.**
- 2. Instruct Fire Coordinator Ron Morgan to provide information in the next Fiscal Year 1996-97 necessary to make a decision about the fire boat.**

The vote of approval was unanimous.

It was the consensus of Council to direct Town Manager Strutner to pursue information regarding ISO inspections.

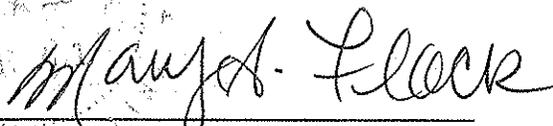
COUNCIL COMMENTS

Commissioner Bush moved, seconded by Commissioner Schichtel, to recess the Budget Workshop Meeting until Tuesday, June 27, 1995, 9:30 a.m., at Town Hall for the purpose of discussing proposed budget items for Fiscal Year 1995-96.

RECESSED MEETING

With no further items of discussion, Commissioner Bush moved, seconded by Commissioner Schichtel, to recess the meeting. The vote of approval was unanimous.

ATTEST:


Mary A. Flack, CMC/AAE
Town Clerk


Mayor Max E. Lehner

THE CLIFTON CORPORATION
5250 Clifton-Glendale Road
Spartanburg, South Carolina 29307-4618
Tel. 803/579-4405 & Fax 803/579-1932

FAX TRANSMITTAL SHEET

DATE: June 20, 1995

TO: Mr. William Grimes
TOWN OF LAKE LURE, NC

VIA: Fax @ 1-704-625-8371

TOTAL NUMBER OF SHEETS TRANSMITTED: 2

Dear William:

This is a description of the rehabilitation of the governors at the power plant and installation of new reservoir level information equipment.

The existing governors consists of three basic parts: 1) the oil/air pump; 2) the hydraulic cylinder mechanism that attaches to the turbine gate arm shaft which operates the turbine wicket gates; 3) and the electro-hydraulic control system that operates the hydraulic cylinder using the hydraulic/air pump system.

This rehabilitation includes replacing the third part of the system. This part of the system functions to control the wicket gate setting for the turbine. It sets the hydraulic cylinder in position for start-up, sets the wicket gates to obtain the selected power setting on the generator, and then manually shuts the system down during normal operation and automatically shuts the system down when a power failure occurs on Duke's lines or a control panel relay triggers the breaker to disconnect.

The existing controls are the original controls that were installed when the generators and turbines were installed in ~~1927~~ ¹⁹²⁷ ~~1939~~. This control system is entirely antiquated and does not operate as reliably as is required for operation of the turbine.

The existing original controls including the hydraulic controls, the centrifugal fly ball frequency controls, and the associated hydraulic-mechanical equipment will be replaced with new electrically operated hydraulic 4-way control valves, power supplies, and electrical controls. This system will have far greater reliability and ease of use. In addition, the maintenance costs will be lower.

The existing hydraulic-mechanical turbine controls do not allow for automated control of the unit. That is, with the existing system, it is not possible to have automated startup, shutdown, or operational settings to the turbine. This system will allow for automated control of the turbine wicket gates for startup, shutdown, and operational setting from the powerhouse and remotely.

The new system will provide contacts so that a remote or automatic station control system can be installed to operate the power system.

The reservoir level information equipment will include a new reservoir level transducer that is tied into a meter inside the powerhouse. This will provide the operator with the reservoir level inside the powerhouse. It will also provide contact switch closure whenever the lake reaches predetermined levels.

Finally, it will provide a telephone feature so that the operator can call and hear the level of the reservoir. This telephone feature will also call the operator whenever the lake is too high or too low.

Sincerely,

Charles B. Mierek
Charles B. Mierek, P.E.
President

CBM:nm

*WE
6" PIPE
WIRE TO PLANT } for lake level*

*New governor's start at
\$67,000 with similar features*

William says in addition to above, this change will mean that when the turbines trip they will aut. immediately shut down and not go into overspeed. Overspeed can tear up windings & bearings.

Rutherford County

FINANCE OFFICE
601 North Main Street
Rutherfordton, NC 28139
(704) 287-6085

RECEIVED

AUG 22 1994

August 17, 1994

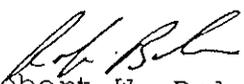
Mayor Max Lehner
Town of Lake Lure
P.O. Box 255
Lake Lure, NC 28746

Dear Mayor Lehner,

Recently your town graciously volunteered to contribute \$438.00 as a match for a grant to establish a Child Abuse Response Team. The grant has been awarded and an individual hired.

Please consider this letter as an invoice for your contribution. Please mail payment to the Rutherford County Finance Office, 601 N. Main Street, Rutherfordton, NC 28139.

Sincerely,


Robert W. Bole
Assistant Finance Director

RWB:rbb

SUMMARY OF REVENUES

	CURRENT BUDGET 1994-1995	PROPOSED BUDGET 1995-1996
GENERAL FUND:		
AD VALOREM TAXES	576,381	604,650
MISCELLANEOUS	93,605	131,310
STATE SHARED	344,295	358,675
LAND USE FEES	4,575	10,800
GOLF COURSE	95,000	96,500
BEACH	88,025	88,775
MARINA	41,550	48,600
LAKE	48,500	59,700
CONT. FOR CAPITAL TRANSFERS	112,021 425,133	
TOTAL	1,829,085	1,399,010
 WATER FUND:		
WATER & SEWER	270,000	270,500
TOTAL	270,000	270,500
 ELECTRIC FUND:		
ELECTRIC	360,000	360,000
TOTAL	360,000	360,000
GRAND TOTAL	2,459,085	

SUMMARY OF EXPENDITURES

	CURRENT BUDGET 1994-1995	PROPOSED BUDGET 1995-1996
GENERAL FUND:		
GOVERNING BODY	28,710	28,810
ADMINISTRATION	280,263	365,053
POLICE	338,437	359,920
FIRE DEPT.S	102,615	140,203
EMS	500	500
PUBILC WORKS	240,188	254,750
SANITATION	80,600	69,800
GOLF COURSE	182,048	180,585
LAKE	11,545	11,695
BEACH	66,302	70,167
COMM. CENTER	5,650	4,000
MARINA	43,445	54,450
INS. & BONDS	256,100	222,497
RESERVE FOR CONTINGENCY	80,661	88,000
CONTRIBUTION TO CAPITAL	112,021	1,850,430
TOTAL	1,829,085	
 WATER FUND:		
SEWER	91,386	103,350
WATER	122,098	132,903
CONTRIBUTION TO CAPITAL	56,516	34,247
TOTAL	270,000	270,500
 ELECTRIC FUND:		
ELECTRIC	53,237	63,570
CONTRIBUTION TO CAPITAL	306,763	295,430
TOTAL	360,000	360,000
 GRAND TOTAL	 2,459,085	

WORKING PAPER FOR FY 95-96 CAPITAL IMPROVEMENT BUDGET
WORK SESSION --- JUNE 23, 1995

PROJECT

COST

* "Furnishings" for new Muni. Ctr. \$ 86,965 (?)

- NOTES: 1. Please be advised that some of this is already encumbered via a P.O. issued for the Standby Generator (\$29,400), plus the need for est. \$1,000 in diesel fuel for the tank.
2. We have what we consider to be a reasonable estimate for the actual furnishings - e.g. desks, chairs, side tables, new conference table and chairs, file cabinets, and tables and chairs for the Community Center. This amounts to \$53,800 (which includes \$1,200 for installation).
3. The Council table is not included; Paul Wilson has a quote of \$5,500.
4. There are a number of items not accounted for or covered in the base contract for the facility and for which we should leave some allowance, e.g. flagpole(s), interior and exterior signage, dedication plaque, blinds/drapes, etc.
5. Mike McDonough advised on 6/22 that the plumber needs to have the public water supply connected to the building soon. Paul Wilson has suggested that the Town supply the materials (we have the pipe) and simply contract directly with the plumber to install both water and sewer. I've asked Paul to get this price today.

**RECOMMENDATION: Increase this item to \$100,000.
(Generator, Council desk, and Furniture estimate
alone totals \$89,700.)**

* Computer System (hardware and software) \$ 75,000
(+ \$3,500 for ICS contract) 3,500
Per Jim Foster's estimate received \$ 78,500
on 6/21 after he spent 2 days here.
(His actual figure was \$85,000-90,000,
but this included \$10,000 for Town
employee travel and training.)

* Telephone Equipment \$ 23,300

Per AT&T's quote after reviewing building plans. We consider this a "high" figure and we may well be able to obtain equipment of similar quality and reliability at less cost. (We will solicit formal proposals.)

* Telephone Service Lines ?

Commissioner Bush is to have more information on this item this morning. (BellSouth has been very unresponsive.)

* A/V System in Council Chamber \$ 25,800

Per estimate received on 6/22 from Tom Walker of T W Design in Asheville. Mr. Walker comes **recommended** by our architect. The figure includes:

- Walker's \$1,800 design fee.
- \$15,000 for 4 ceiling speakers, 9 microphones, automatic mixer, equalizer, power amp and recorder, all installed.
- \$9,000 for 3 - 32" monitors and associated VCR equipment.

* 2 Police Vehicles \$ 44,000

* 2 Police Portable Radios \$ 2,000

* Powell Bill Funds Road Work 55,000

* Swing Joints for Irr. System at Golf Course 5,000

* Gas Tanks - Remove/Replace 24,000
(Marina, Golf Course and Town Hall removal; replace at Marina and G.C.)

* 2 New water Wells \$ 90,000

* Radio System for Public Works Dept. \$ 18,500

* Governor Work at Hydro Plant \$ 16,600

SEE: ATTACHED LETTER FROM CHARLES MIERECK EXPLAINING THIS WORK. OUR PLANT OPERATOR RECOMMENDS WE DO THIS A.S.A.P.

* 2 New Gate Hoists at Hydro Dam \$160,000

(I have C. Miereck's proposal if you desire to review it.)

* Standby Generator for WWTP/Hydro Plant \$ 16,000

(Based upon written quote from same vendor we ordered Muni. Ctr. generator from. Price is \$14,700 for propane fired, 60 KW generator. Balance is for wiring and propane work to unit.)

* EMS Generator \$ 12,000

* Purchase Track Loader \$ 10,000

* Utility Building at WWTP \$ 10,000

* Dechlorinator/Filter Unit at WWTP \$ 20,000

We must move to an automated dechlorination unit soon. William Grimes has discussed the concept of converting the unoperational sand filter into a simpler shale/gravel filter unit. Grimes is confident that both conversions can be accomplished for \$20,000.

TOTAL..... \$710,700**

**** INCLUDES INCREASING FURNISHINGS TO \$100,000, BUT NO AMOUNT FOR TELEPHONE SERVICE LINES.**

OTHER PROJECTS:

* Fire Boat \$ 50,000

* Fire Coordinator's Office Renovation \$ 1,500

This is cost of materials. Labor will be furnished by Fire Coordinator and volunteers from Fire Department. (Decreased from \$6,500). His revised request is attached.

* Remove 4 Trees at Town-owned house \$ 3,500

Per written proposal attached.

* Heat pump for same property

\$ 3,840

Per written proposal attached.
I would ask that you remember that Grimes is unable to obtain renter's insurance since his sole source of heat is a wood burning stove. In addition, he lost his TV on Wednesday due to a lightning strike and has lost a VCR and two other TV's in the past to lightning. Renter's insurance would have covered these losses.

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5250 Clifton-Glendale Road
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Tel. 803/579-4405 & Fax 803/579-1932

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6/22/95

FIRE COORDINATOR
UPSTAIRS OFFICE
REQUEST

PRICE IS FOR MATERIALS ONLY EXCEPT
LABOR IS INCLUDED FOR WIRING

\$ 1500.00

THIS PRICE WOULD NOT INCLUDE BUYING
3 DOORS FIGURED IN EARLIER ESTIMATE

LABOR TO BE BY FIRE COORDINATOR AND
VOL. LABOR

RESPECTFULLY SUBMITTED

RONALD MORGAN

STATEMENT

12047

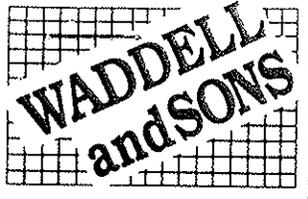
Date 6-19 19 95

TO THE TOWN OF LAKE LURE
LAKE LURE N.C.

TERMS

IN ACCOUNT WITH
SHIELDS TREE SERVICE
DALE SHIELDS.

		REMOVE 3 LARGE POPULAR			
		TREE'S AND 1 HEMLOCK			
		FROM AROUND WILLIAM			
		GRIMES HOUSE AT LAKE			
		LURE DAM. ALL BRUSH			
		AND WOOD WILL BE REMOVED			
		FROM WORK AREA.		\$	3500.00



FREE ESTIMATES
RESIDENTIAL
COMMERCIAL

Honest Professional
Service & Installation

Proposal

Rt. 1 Box 1012
Rutherfordton, N.C. 28139
(704) 863-2505

HEATING & AIR CONDITIONING

863-2505
1-800-839-8078

LIC. CONTRACTOR
18 YEARS EXPERIENCE

PHONE	DATE	
625-9227	6-20-95	
JOB NAME		
JOB LOCATION		
ARCHITECT	DATE OF PLANS	JOB PHONE

We hereby submit specifications and estimates for:

Installed 2 1/4 ton 12
 Seca BAYANT heat pump, ductwork
 Mod. C63A5X 030000
 FCHBNF030000

10 YEAR WARRANTY ON COMPRESSOR
 5 YEAR WARRANTY PARTS & LABOR

We Propose hereby to furnish material and labor — complete in accordance with above specifications, for the sum of:

Payment to be made as follows: _____ dollars (\$ 3840.00).

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized Signature _____
 Note: This proposal may be withdrawn by us if not accepted within 60 days.

Acceptance of Proposal —The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized _____

to do the work as specified. Payment will be made as outlined above. Signature _____
 Date of Acceptance _____ Signature _____

Report on Fire Boat Project
June 20, 1995

Since employed by the Town of Lake Lure in December 1994, I have been working with the Fire Chiefs from Fairfield, Chimney Rock and Bill's Creek Fire Departments on the fire boat project.

With a considerable amount of time and effort invested, we believe a fire boat could be very beneficial to fire protection for the Town of Lake Lure.

At our first Chief's meeting in January we discussed this matter extensively as to what should be accomplished first. We felt we needed to gather more information about fire boats as we only had information on one unit and decided to gather information about the (ISO) Insurance Service Office's inspection process.

After contacting several manufacturers, information slowly began to come in. As we reviewed the information, we quickly eliminated several manufacturers as they did not offer a product that would meet our needs. A few manufacturers were contacted and additional information requested with prices based on what we felt our needs were (shallow draft, quick response, and high volume-high pressure pump).

One of the manufacturers, Sea-Ark, informed us they are presently completing a boat that may meet our needs and will be delivering to Lakemont-Wiley Fire Department in Northeastern Georgia very soon. This Fire Department plans to request an inspection from ISO and encouraged us to follow them closely to determine exactly what ISO will look for as they are in a very similar situation.

While we were going through this process we also contacted ISO representative Ronald Brown and sought information to prepare for an ISO inspection. After a few phone calls I asked Mr. Brown for information regarding the criteria that would be required to have a fire boat rated. After several phone calls to Mr. Brown in the last several weeks, he returned my call June 20th. He provided some information about the response time and pump requirements. Now we will be able to look closely at how the fire boat would be operated and if we can meet these requirements.

Page 2 - Report on Fire Boat Project
June 20, 1995
Ronald J. Morgan

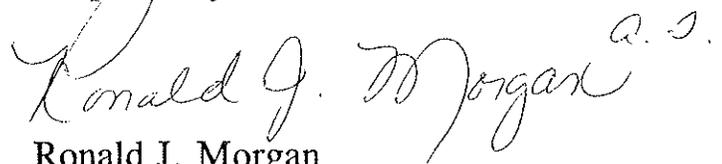
At this time we cannot tell you if a fire boat would result in lower insurance rates. We understand that this will be the critical question in receiving funding from the Town. If we can get a fire boat rated the benefits would be obvious, but for your benefit I have enclosed some information I have put together including the number of lakefront houses on the lake, average retail value of these homes and the insurance rates for these homes shown for ISO protection classifications 9, 8, 7, 6.

You can see that a significant amount of money would be saved by homeowners and business owners if a rate reduction could be achieved.

It is for this reason we are requesting that you leave the fire boat in the Capital Improvements Fund for the Budget Year 95-96. We believe that by next budget year or before we will be able to request funding for this project or allow it to be dropped.

If you have any questions or concerns, please feel free to contact me.

Respectfully submitted,


Ronald J. Morgan
Fire Coordinator

RJM/at

Attachment

Lake Front Single Family Dwellings	-	444
Lake Front Condos, Multi-Family Dwellings	-	007
Lake Front or Immediately Accessible Businesses	-	021

This information was gained by Fire Coordinator and Police Boat Officer counting from police boat. Special thanks to Police Department for assistance.

Average Price House on Lake Front Property Retail - \$200,000

Talked with two realtors in Town and was told this is a close, but conservative figure.

INSURANCE COSTS

Average Home \$200,000 built in 1970 frame construction

\$250 Deductible	Class 9	-	\$850 yr.
	Class 8	-	\$797 yr.
	Class 7	-	\$715 yr.
	Class 6	-	\$581 yr.
\$500 Deductible	Class 9	-	\$603 yr.
	Class 8	-	\$565 yr.
	Class 7	-	\$509 yr.
	Class 6	-	\$414 yr.

Information gained from N. C. Farm Bureau Insurance.

Savings on \$250 deductible from Class 9 to Class 8 rating for homes on lakefront.

$$444 \times \$53 = \$23,532 \text{ yr.}$$

This figure only includes homes that are lakefront property, businesses and many other homes near the lake would actually benefit.

FOREST EDWARDS INS.

Risk Rater - HOME				June 19, 1995
Form	HO-3 Special	Deductible	250	Coverages
Territory	40	\$250 Theft Ded	No	A 200,000
Protection Class	6	Comp Pers Liab	100,000	B 20,000
Construction	Frame	Medical Payments	1,000	C 140,000
Amount To Insure	200,000	HO-290 Contents	Yes	D 40,000
Year House Built	1970	HO-500 Dwelling	No	E 100,000
Protective Devices	Smoke Detectors	HE-30 Debris/Tree	No	F 1,000

Company Name	Premium Messages
Owners	442.00

PgDn - Endorsements...

| Esc | SpaceBar | BackSpace | ↑↓ |
 Move Highlight Bar to desired company and press ENTER

Risk Rater - HOME				June 19, 1995	
Form	HO-3 Special	Deductible	250	Coverages	
Territory	40	\$250 Theft Ded	No	A	200,000
Protection Class	8	Comp Pers Liab	100,000	B	20,000
Construction	Frame	Medical Payments	1,000	C	140,000
Amount To Insure	200,000	HO-290 Contents	Yes	D	40,000
Year House Built	1970	HO-500 Dwelling	No	E	100,000
Protective Devices	Smoke Detectors	HE-30 Debris/Tree	No	F	1,000

Company Name	Premium Messages
Owners	618.00

PgDn - Endorsements...

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 Move Highlight Bar to desired company and press ENTER

Risk Rater - HOME				June 19, 1995	
Form	HO-3 Special	Deductible	250	Coverages	
Territory	40	\$250 Theft Ded	No	A	200,000
Protection Class	7	Comp Pers Liab	100,000	B	20,000
Construction	Frame	Medical Payments	1,000	C	140,000
Amount To Insure	200,000	HO-290 Contents	Yes	D	40,000
Year House Built	1970	HO-500 Dwelling	No	E	100,000
Protective Devices	Smoke Detectors	HE-30 Debris/Tree	No	F	1,000

Company Name	Premium Messages
Owners	551.00

PgDn - Endorsements...

| Esc | SpaceBar | BackSpace | ↑↓ |
 Move Highlight Bar to desired company and press ENTER

Name :

June 19, 1995

Company: Owners

Premium Group - 9

Form - HO-3
Territory - 40
Protection Class - 9
Construction - Frame
Year House Built - 1970
Protect Devices - Smoke Detectors
Deductible - 250
Theft Deductible - 250
HO-290 - Yes
HO-500 - No

A-Dwelling	-	200,000
B-Other Structures	-	20,000
C-Personal Property	-	140,000
D-Loss Of Use	-	40,000
E-Comp Pers Liability	-	100,000
F-Medical Payments	-	1,000

Premiums:

Base Premium	829.00
Increased Coverage C	0.00
Protective Dev Credit	-17.00
Dead Bolt Lock Credit	-17.00
Fire Extinguisher Cr	-17.00
HO-290 Contents Repl	0.00
Sect II Liability	0.00
Annual Premium	778.00