



Incorporated 1927

Town of Lake Lure

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MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL HELD MONDAY, NOVEMBER 22, 1999, 2:00 P.M. AT THE LAKE LURE MUNICIPAL CENTER

PRESENT: Mayor Jim Proctor
Commissioner Blaine Cox
Commissioner Dick McCallum
Commissioner George Pressley
Commissioner Jack Stanier

Town Manager H. M. "Chuck" Place, III

ABSENT: N/A

CALL TO ORDER

Mayor Proctor called the meeting to order at 2:00 p.m.

INVOCATION

Carolyn Cobb gave the invocation.

APPROVE BUDGET AMENDMENTS FOR STREET IDENTIFICATION SIGNS & PONTOON BOAT

Finance Director Sam Karr was absent due to illness. Therefore, Town Manager Chuck Place gave an update on the proposed budget amendment for the street identification signs. This project is underway and making good progress.

The previous Town Council agreed to enter into a contract with Scott Huffman, a Rutherford County employee, to construct and erect street identification signs for the Town in order to meet the 911 system requirements. While this was done in concept, a budget adjustment was needed to appropriate the money as the final amount was subject to change. Therefore, Commissioner Cox moved, seconded by Commissioner Stanier, to increase the Public Works Department by \$29,440.00 (line item #105600.5900 Street Signs) from Fund Balance (1002990.0000) for the street identification signs. The vote of approval was unanimous.

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During the budget hearing of June 15, 1999, the previous Town Council authorized the Town Manager to purchase a used pontoon boat from Lake Lure Tours, Inc., as soon as necessary repairs and servicing were completed on the boat. As Council proceeded into the new fiscal year, the Town Manager informed Council that a budget amendment was needed for a transfer of \$7,500 from fund balance for the purchase of the 22 ft. JC Tritoon as soon as the boat was in good working order. The boat has a 3.8 liter rebuilt Mercruiser motor and a full canopy and glass. It was the consensus of Town Council this boat is much needed for lake inspections as well as official tours of the lake. This boat would also be used as an auxiliary police boat when needed.

Based on the fact this boat had been brought up to proper working order and had been operated by the Town staff for approximately two weeks, Commissioner Stanier moved, seconded by Commissioner Cox, to increase the Administration Department by \$7,500 (line item #104200.5500 Pontoon Boat) from Fund Balance (102990.0000) in order to pay the invoice amount of \$7,500 in full to Lake Lure Tours, Inc. for the purchase of the 22 ft. JC Tritoon boat. The vote of approval was unanimous.

Town Manager Chuck Place said he intended to dock this boat at the town dock located beside the ABC Store. Rick Coley, President of Lake Lure Tours, Inc. agreed to provide a storage space for this boat at the Town Marina during winter months.

<p>CONSIDER RENEWAL OF CONCESSION AGREEMENTS BETWEEN THE TOWN OF LAKE LURE AND LAKE LURE TOURS, INC. REGARDING THE TOWN BEACH, MARINA, AND BOAT TOURS</p>
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Town Council invited Rick Coley, President of Lake Lure Tours, Inc. to attend this meeting regarding the renewal of these concession agreements between the Town of Lake Lure and Lake Lure Tours, Inc.

Town Manager Chuck Place said the major change in the concession agreement regarding the boat tours was the expiration period of this agreement. Lake Lure Tours, Inc. requested a longer lease term of five years with a clause providing for twelve months notice to void the concession agreement. Town Manager Chuck Place also recommended that this concession agreement with Lake Lure Tours, Inc. include the same calendar term as the concession agreement for the Town beach and marina for the convenience of maintaining records. This new contract would allow for three tour boats rather than two.

Based on the information submitted, Commissioner McCallum moved, seconded by Commissioner Cox, to accept the concession agreement between the Town of Lake Lure and Lake Lure Tours, Inc. regarding the boat tour operation as presented. The vote of approval was unanimous.

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Council members agreed by consensus to Commissioner Stanier's suggestion that the Lake Advisory Committee study and define the no wake speed for all type boats.

Rick Coley reported the operations of the Town's marina for the 1999 season worked out really well for Lake Lure Tours, Inc. Mr. Coley proposed structural changes to the marina building. He said these changes would include expanding the restroom facilities as well as providing a larger office/retail area to accommodate the increased traffic flow.

Town Manager Place stated he had talked with Public Works Director Tony Hennessee about Mr. Coley's project and Mr. Hennessee informed him that the majority of the work could be done by the Town's maintenance department except for the plumbing. Mr. Place said some of these changes and costs for the electrical and the water heater are required to be addressed as a result of the recent OSHA inspection arranged by Fire/Safety Coordinator Ron Morgan.

Also, Mr. Place mentioned that there is termite damage to the marina building and the town needs a regular termite control program. He suggested this problem be addressed at a future budget workshop session.

Mr. Coley requested that he be allowed to retain 5% of the boat permit revenue rather than 3% because of associated cost for allowing the use of credit cards and the amount of time spent issuing boat permits. He explained that Lake Lure Tours, Inc. offers the use of credit cards to their boat permit customers and there is a cost of 2.5% to 3.5% for each credit card transaction.

According to Mr. Coley, there were approximately 700-800 annual beach passes were sold during 1999. He stated beach concession fees were too high and had a draconian effect on the operations of the beach. Mr. Coley said even though he could see improvement, there was no large growth. Lake Lure Tours, Inc. showed a loss in the amount of \$7,700 at the beach. In order to help absorb some of the operating expense, Mr. Coley asked Town Council for a 50% reduction in his water and sewer charges.

Following discussion, Town Council agreed by consensus not to reduce Mr. Coley's water/sewer charges for the beach based on the decision there has to be fairness to all business owners. However, Council members did suggest adjusting the concession fee in order to absorb some of the associated costs.

Mr. Coley expressed the need for approximately thirty additional picnic tables to be used at the town's beach and picnic area (grassy area adjacent to the beach). He said there were thirteen tables at the beach in poor condition and needing repair when Lake Lure Tours, Inc. took over the beach operations. These tables were painted by Lake Lure Tours, Inc. in an effort to make them appear attractive. Mr. Coley stated that if the Town would purchase the materials to build the picnic tables, he would be willing to staff part of the labor.

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After discussion, Council members agreed by consensus to allow Town Manager Place and Mr. Coley to look further into the options of purchasing picnic tables or build them.

Council members requested that Finance Director Sam Karr do the following: (1) review the audit report provided by Lake Lure Tours, Inc., (2) verify these numbers in the audit, (3) change the concession fee to an amount to be determined for the next twelve months, and (4) review once again after twelve months.

With no further discussion, it was the consensus of Council members to authorize the Town Manager and Finance Director to review numbers in the Lake Lure Tour's audit report, and incorporate the recommendations from this meeting into the concession agreement. Town Manager Place agreed to draft a concession agreement for review, leaving the percentage line blank.

DISCUSS TOWN EMPLOYEE CHRISTMAS PARTY

Council members discussed the Town Employee Christmas dinner and longevity pay. After discussion, Commissioner McCallum made a motion, seconded by Commissioner Stanier, to approve: (1) Christmas Dinner for the Town employees to be held off premise, (2) each employee will be allowed to bring one guest, (3) limit the cost to \$20 per person, and (4) each employee will be given a longevity check in the amount of \$100. The vote of approval was unanimous.

Town Manager Place expressed his thanks to all staff members.

DISCUSSION REGARDING FLOOD RELIEF FUND FOR VICTIMS OF THE EASTERN PART OF NORTH CAROLINA

Council members discussed a flood relief fund for victims of the Eastern part of North Carolina. According to Town Attorney Chris Callahan, it may not be feasible to use taxpayers monies for this purpose. Therefore, it was it consensus of Council members not to use taxpayers monies, but to possibly plan for a fund raising event.

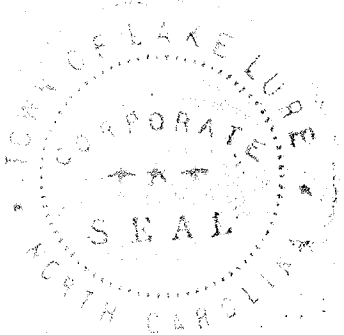
Mayor Jim Proctor suggested that Council members begin brainstorming any ideas for a fund raising event and possibly have for discussion at the next regular Town meeting.

ADJOURNMENT

With no further items of discussion, Commissioner Pressley moved, seconded by Commissioner McCallum to adjourn the meeting at approximately 4:40 p.m. The vote of approval was unanimous.

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ATTEST:



Anita H. Taylor

Anita H. Taylor, CMC/AAE
Deputy Town Clerk

Mayor Jim Proctor