

**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL
HELD THURSDAY, MAY 20, 2004, 9:00 A.M. AT THE LAKE LURE MUNICIPAL
CENTER**

PRESENT: Mayor Jim Proctor
Commissioner Blaine Cox
Commissioner Dick McCallum
Commissioner Chuck Watkins

H. M. Place III, Town Manager

ABSENT: Commissioner Lea Hullender

CALL TO ORDER

Mayor Proctor called the meeting to order at 9:00 a.m.

INVOCATION

Commissioner McCallum gave the invocation.

APPROVE THE AGENDA

After discussion, Commissioner Cox made a motion to approve the agenda as amended by revising the wording for agenda items 4 and 6 as follows. Commissioner Watkins seconded the motion and the vote of approval was unanimous.

Item 4. Consider approval of fabric structure permit for Camp Lure Crest

Item 6. Consider request from the Hickory Nut Gorge Chamber of Commerce regarding a fireworks show to be held on Saturday, July 3, 2004 and a Lake Lure boat parade including a fireworks show to be held on Saturday, December 4, 2004

Consider Approval of Fabric Structure Permit for Camp Lure Crest

Town Manager Place spoke on behalf of Jerry Martin for Camp Lure Crest regarding their fabric structure permit. (Copy of fabric structure permit attached).

After discussion Commissioner McCallum made a motion to approve the fabric structure permit submitted by Jerry Martin for Camp Lure Crest contingent upon the town fire coordinator's approval of this permit. Commissioner Cox seconded the motion and the vote of approval was unanimous.

Award Bid Presented by McGill Associates for Two Wells

Town Manager Place reviewed a letter dated May 18, 2004 from Michael T. Dowd with McGill Associates, P.A. regarding recommendation of award for water supply wells for the Town of Lake Lure. Mr. Place also reviewed a memorandum dated May 18, 2004 from Gordon Wilson pertaining to the water system improvements for the town. (Copy of letter from Michael Dowd and memorandum from Gordon Wilson attached).

Mr. Place said a total of three construction bids for the project titled "Water Supply Wells" for the town were received at 2:00 p.m. on March 30, 2004 at town hall in the Lake Lure Municipal Center and are as follows:

<u>Bidder</u>	<u>Amount</u>
Camp's Well & Pump Co., Inc.	\$33,600.00
McCall Brothers, Inc.	\$33,910.00
Pittman Well Boring, LLC	\$46,200.00

After discussion, Commissioner Cox made a motion to award the bid to Camp's Well & Pump Co., Inc. for \$33, 600.00 for the project titled " Water Supply Wells" for the Town of Lake Lure as recommended by McGill Associates, contingent upon approval of Camp's Well & Pump Co., Inc.'s disadvantaged business enterprise documentation by the North Carolina Department of Environment and Natural Resources (this contract consists of the construction of two water supply wells to serve Lake Lure) and stipulate that if Camp's Well and Pump Co., Inc., does not meet the requirements needed, then award the bid to McCall Brothers, Inc. for \$33,910.00. Commissioner McCallum seconded the motion and the vote of approval was unanimous.

Consider Request from the Hickory Nut Gorge Chamber of Commerce Regarding a Fireworks Show to be held on Saturday, July 3, 2004 and a Lake Lure Boat Parade Including a Fireworks Show to be held on Saturday, December 4, 2004

Larry Brown, Vice President of the Hickory Nut Gorge Chamber of Commerce spoke on behalf of the Chamber of Commerce's request for funds from the town to hold fireworks shows and boat parade. (Copy of letter dated May 17, 2004 from C. J. Sands, President of the Hickory Nut Gorge Chamber of Commerce attached).

After discussion, Commissioner Cox made a motion to approve the request from C. J. Sands on behalf of the Hickory Nut Gorge Chamber of Commerce to: (1) hold a fireworks show on town property (Morse Park) Saturday, July 3, 2004; (2) hold a Lake Lure holiday boat parade including a fireworks show to be held on Saturday, December 4, 2004; (3) donate \$1,000.00 (\$500.00 per event) for the cost of these fireworks shows to be held on July 3, 2004 and December 4, 2004; (4) suspend the town's peddling ordinance for these events; and (5) allow a bonfire on the town beach for these events. Also, stipulate that the approval of this request is contingent upon the Hickory Nut Gorge Chamber of Commerce cleaning up debris after each fireworks show. Commissioner Watkins seconded the motion and the vote of approval was unanimous.

Discuss Preliminary Budget Items for Fiscal Year 2004-2005

Town Manager H. M. Place III and Finance Director Sam Karr reviewed and answered questions pertaining to the preliminary budget items for fiscal year 2004-2005. Also, staff members including Public Works Director Tony Hennessee, Utilities Director William Grimes, Golf Course Manager Chris Shute, Fire and Emergency Coordinator Ron Morgan, and Police Chief Mike Bustle were present to answer questions about the proposed items in the budget for their departments.

Finance Director Karr stated that the premiums for the health insurance coverage for the town had been reduced from the original amount presented in the draft budget for fiscal year 2004-2005 and he will adjust these figures accordingly. He said this reduction in premiums should save the town between 10,000 to 12,000.

The estimated expenditures of \$100,000 for silt removal in the general fund was removed from the budget. Council members agreed to transfer monies from the hydro-electric fund equity into the silt reserve fund for future silt removal from the lake. Council agreed to consider a budget amendment at the next regular council meeting on June 8, 2004 transferring \$100,000 from the hydro electric fund equity to capital reserve silt fund for future silt removal.

Finance Director Karr stated that there was enough money left in this year's budget to pay for the town's portion of \$1,000 to go towards the fireworks shows being sponsored by the Hickory Nut Gorge Chamber of Commerce on July 3, 2004 and December 4, 2004. After discussion, Council members agreed to provide financial assistance in the amount of \$1,000 from this year's

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budget from the governing body's account (boards and commission).

Town Manager Place recommended that \$15,000 be added in the budget to cover merit pay increases for town employees. Council members increased the contingency fund from \$50,000 to \$65,000 to cover the cost of merit pay increases.

The estimated revenues for motor vehicle taxes were increased from \$29,828 to \$30,932.

The estimated revenues for the North Carolina Department of Transportation grant was increased from \$94,801 to \$118,501.

The estimated revenues of \$25,000 for administrative charges (hydro electric fund) was added to the budget.

The estimated revenues of \$25,000 for administrative charges (water/sewer fund) was added to the budget.

Mayor Proctor recessed the meeting for a break at 10:03 a.m. and reconvened the meeting at 10:12 a.m.

Town Manager Place asked Council members about his salary increase. After discussion, Council members agreed to increase the town manager's salary to \$64,150.00 (includes in-town travel and COLA) effective July 1, 2004. Council members agreed to delete \$2,400.00 from the budget for in-town travel for the town manager (line item #1004200.1400).

The estimated expenditure for capital outlay for a new public works equipment building was reduced from \$50,000 to \$25,000 out of the general fund and the estimated expenditure for the water and sewer fund capital outlay (equipment building) was increased to \$25,000 to pay for half of the cost of the public works equipment building.

Commissioner Cox suggested that the town consider billing the Village of Chimney Rock for increased cost of service provided by the Town of Lake Lure for water service to Chimney Rock customers. Town Manager Place agreed to review the current contract between the Town of Lake Lure and the Village of Chimney Rock.

Town Manager Place also agreed to contact McGill Associates regarding the use of the Parmley well.

The estimated revenues of \$337,234 for the water grant and loan was added to the budget for the water and sewer fund.

The estimated revenues for the hydro electric power was increased from \$156,000 to

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\$180,000.

Mr. Place reported that Police Chief Mike Bustle, Finance Director Sam Karr, and Gary Roberts with the public works department were already at or near the top of their pay scale prepared by the North Carolina League of Municipalities. Council members instructed the town manager to research to see if these employees need to be reclassified and find out if their job description is appropriate. Council members stated that they did not object to authorizing the town manager to give a salary increase above their cap on the pay scale to employees who merit an increase based on skill, ability, and experience in their job. Mr. Place said he was planning to give Code Enforcement Clerk Monica Stoffer an increase in her salary based on the fact of her increased responsibility above the duties outlined in her job description.

Mr. Place gave an explanation as to why the town was being asked to pay \$40,000 to the Local Government Employees Retirement System to purchase retirement credits for Hydro Plant Operator William Grimes. Mr. Grimes stated that because of reasons unknown to him, the town failed to send contributions to the state retirement system for the first 4.67 years of his employment with the town.

Town Manager Place mentioned that he had received an offer of \$2,000 from Joe Silvernail to purchase certain town property for a right-of-way (triangle piece of property at intersection of Sandlewood and Wanderling Drive). Mr. Place said he would have Town Attorney Christopher Callahan review the proposal and then he will report back to Town Council regarding this matter.

The Mayor recessed the meeting at 11:50 a.m. for lunch and reconvened the meeting at 1:30 p.m.

The estimated expenditures for supplies and materials in the golf course budget were decreased from \$28,000 to \$25,000.

The estimated expenditure of \$8,500 for the golf course capital outlay (all terrain utility vehicle) was removed from the budget.

The estimated expenditures of \$7,000 for golf course part-time salaries was removed from the budget.

Town Manager Place recommended that the cart fees be increased by \$1.00. The estimated revenues for golf cart fees were increased from \$100,000 to \$ 110,000.

Fire Coordinator Ron Morgan expressed the importance of hiring an assistant fire coordinator. Council members agreed to authorize the hiring of an assistant fire coordinator contingent upon the town deferring the employment of this position effective on or after January 1, 2005. At the request of Town Council, Mr. Morgan contacted the fire chiefs of Fairfield Mountains VFD, Chimney Rock VFD, and Bill's Creek VFD about reducing the town's contribution to the fire

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departments to help cover some of the cost of hiring an assistant fire coordinator. Mr. Morgan reported that the fire departments were agreeable to the reduction of the town's contribution to them to help cover some of the cost of hiring an assistant fire coordinator.

The contribution to the Fairfield Mountains Volunteer Fire Department was reduced from \$81,260 to \$77,255.

The contribution to the Chimney Rock Volunteer Fire Department was reduced from \$31,000 to \$30,250.

The contribution to the Bill's Creek Volunteer Fire Department was reduced from \$31,000 to \$30,500.

The Mayor recessed the meeting at 2:45 p.m. for a break and reconvened the meeting at 3:00 p.m.

Police Chief Mike Bustle announced that the Bureau of Justice Assistance had notified him on May 14, 2004 by email that they have approved the town's application for the 2004 Bulletproof Vest Partnership Grant Program and the payment had been sent to the town by electronic transfer of funds.

The Mayor recessed the meeting at 3:35 p.m. for a break and reconvened the meeting at 3:45 p.m.

Town Manager Place stated that the town needs to implement the erosion control regulations adopted in 2001 which were rejected by the North Carolina Erosion Control Commission. Mr. Place said in order to gain the Commission's approval, the town would have to enforce regulations now handled by the state. He explained that this would require an additional man power. Mr. Place recommended that the town pay part of Erosion Control Specialist Clint Calhoun's salary and assign the enforcement task to him. Mr. Place requested that 25% of Mr. Calhoun's salary be paid out of the town's budget and the remainder of his salary would be reimbursed by Mountain Valleys RC & D from grant monies. Mr. Place said Mr. Calhoun would report to him regarding the erosion control program. Commissioner Cox suggested that the town get an agreement in writing with the Upper Broad River Watershed Group outlining Mr. Calhoun's term of employment with the town and responsibilities.

Council members agreed to schedule a public hearing on June 8, 2004 at the next regular town council meeting to consider the adoption of the town budget for fiscal year 2004-2005.

ADJOURNMENT

With no further items of discussion, Commissioner Cox made a motion to adjourn the meeting at 4:15 p.m. Commissioner Watkins seconded the motion and the vote of approval was unanimous.

ATTEST:

Mary A. Flack, MMC
Town Clerk

Mayor Jim Proctor