

**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD TUESDAY, JUNE 9, 2009, 7:00 P.M. AT THE LAKE LURE MUNICIPAL  
CENTER**

**PRESENT:** Mayor Jim Proctor  
Commissioner Bill Beason  
Commissioner Wayne Hyatt  
Commissioner Russ Pitts  
Commissioner Linda Turner

Christopher Braund, Town Manager  
J. Christopher Callahan, Town Attorney

**ABSENT:** N/A

<b>CALL TO ORDER</b>
----------------------

Mayor Proctor called the meeting to order at 7:00 p.m.

<b>INVOCATION</b>
-------------------

Attorney Callahan gave the invocation.

<b>APPROVE THE AGENDA</b>
---------------------------

After discussion, Commissioner Hyatt made a motion to approve the agenda as presented. Commissioner Turner seconded the motion and the vote of approval was unanimous.

<b>PRESENTATION OF THE TOWN BUDGET AND BUDGET MESSAGE FOR FISCAL YEAR 2009-2010</b>
---

Town Manager Chris Braund gave a brief overview of the proposed budget for fiscal year 2009-2010. Mr. Braund read excerpts from the following budget message.

**TO:** Mayor and Commissioners  
**FROM:** Chris Braund  
**DATE:** June 1, 2009  
**RE:** Budget Message and Proposed Budget for Fiscal Year 2009-2010

In accordance with Sections 159-11, 159-12, et. al. of the General Statutes of North Carolina, it is my duty to submit for your consideration the proposed balanced Budget for Fiscal Year 2009-2010. This budget was created in accordance with the schedule submitted to council earlier this year. This

## **Page 2 - Minutes of the June 9, 2009 Regular Council Meeting**

budget is a result of several meetings with the department heads in an effort to minimize capital requests while maintaining the high level of service expected by our property owners and residents. This budget is a result of a great deal of time and hard work of the town finance director, Sam Karr, who with the assistance and input from the department heads through the months of March and April, prepared the initial draft of the document for the Town Council's consideration. This resulted in additional meetings with department heads in an effort to balance the budget. This also resulted in some very difficult project and capital item decisions. The cuts identified from the meetings with the department heads were submitted to Town Council at our budget meeting on May 21 and Town Council prioritized these and identified further reductions to close the shortfall. **In summary, the budget is balanced at a recommended tax rate of \$0.21 per \$100 of property value, maintaining the rate in effect last year.**

This memorandum details all line items for the General Fund, Water/Sewer Fund and Electric Fund. The proposed major areas of revenue for the fiscal year commencing July 1, 2009 and ending June 30, 2010 are as follows:

### **REVENUES**

#### **I. GENERAL FUND**

Ad Valorem and Vehicle Taxes	\$2,133,797
State Shared Revenues	\$972,425
Miscellaneous Revenues	\$82,060
Land Use Fees	\$50,615
Golf Course	\$176,275
Lake	\$274,700
Beach	\$48,000
Marina	\$35,630
Admin. charge from Water/Sewer Fund	\$25,000
Admin. charge from Electric Fund	\$25,000
Appropriated Fund Balance	\$0
<b>TOTAL GENERAL</b>	<b>\$3,823,502</b>

#### **II. WATER/SEWER FUND**

Water and Sewer	\$751,407
<b>TOTAL WATER/SEWER</b>	<b>\$751,407</b>

#### **III. ELECTRIC FUND**

Electric Receipts	\$152,500
<b>TOTAL ELECTRIC</b>	<b>\$152,500</b>

<b><u>GRAND TOTAL - ALL FUNDS</u></b>	<b><u>\$4,727,409</u></b>
---------------------------------------	---------------------------

**EXPENDITURES**

**I. GENERAL FUND**

Governing Board	\$39,701
Administration	\$679,198
Police	\$693,905
Fire Department	\$644,082
E.M.S.	\$0
Public Works	\$457,360
Sanitation	\$175,400
Golf Course	\$312,900
Lake	\$227,270
Beach	\$20,000
Community Center	\$41,023
Community Development	\$254,228
Marina	\$9,820
Insurance/Bonds	\$140,865
Debt Service	\$0
Transfer to Water/Sewer	\$46,857
Contingency Reserve	\$80,893
<b>TOTAL GENERAL</b>	<b>\$3,823,502</b>

**II. WATER/SEWER FUND**

Sewer	\$454,844
Water	\$296,563
Transfer to Equity	\$0
<b>TOTAL WATER/SEWER</b>	<b>\$751,407</b>

**III. ELECTRIC FUND**

Operations	\$152,500
<b>TOTAL ELECTRIC</b>	<b>\$152,500</b>

<b>GRAND TOTAL - ALL FUNDS</b>	<b><u>\$4,727,409</u></b>
--------------------------------	---------------------------

**FUND BALANCES**

Our Finance Director has provided the following information regarding the fund balance or retained earnings for each of the town's three operating funds:

#### Page 4 - Minutes of the June 9, 2009 Regular Council Meeting

	<u>June 30, 2008<sup>1</sup></u>	<u>June 30, 2009<sup>2</sup></u>
General Fund <sup>3</sup>	\$1,029,920	\$980,920
Water/Sewer Fund <sup>4</sup>	\$143,642	\$68,678
Electric Fund <sup>4</sup>	\$284,264	\$200,200

- Notes:**
- 1 - from Audit Report for FY2007-08
  - 2 - estimates provided by finance director and based upon data available to him on May 30, 2009
  - 3 - General Fund amounts are fund balances
  - 4 - Water/Sewer Fund and Electric Fund represent retained earnings.

As always, there were many hard decisions associated with the formulation of this budget. The costs submitted by the staff to address the various needs, wants and desires of the town were in excess of the current array of means to pay for them. The result was a lengthy process of establishing priorities among the many competing good and worthy services and projects in need of funding. In all, nearly \$400,000 of requested budget items were eliminated.

This estimated budget for FY2009-10 is based upon the following:

1. There is an assumption that there will be no annexations or major growth in population served during the subject fiscal year.
2. We are proposing to maintain the tax rate at \$0.21 this year. This should generate about \$2,133,797 in tax revenue on real, personal and utility property, assuming a 99% collection rate.
3. A proposed rate increase for the sewer system to keep up with growing expenses to operate the system. This rate increase would be the first since 1997. The proposed rates are as follows:
  - Base rate-Residential (sewer only) is proposed to increase from \$54.00 to \$65.00
  - Base rate-Commercial (sewer only) is proposed to increase from \$64.00 to \$75.00
  - Base rate-Residential (sewer with water) is proposed to increase from \$28.00 to \$40.00
  - Base rate-Commercial (sewer with water) is proposed to increase from \$36.00 to \$45.00
  - The per 1000 rate for 0-5000 gallons is proposed to increase from \$3.00 to \$3.50
  - The per 1000 rate for 5,001-20,000 is proposed to increase from \$3.25 to \$3.75
  - The per 1000 rate for 20,001 is proposed to increase from \$3.50 to \$4.25

## Page 5 - Minutes of the June 9, 2009 Regular Council Meeting

Water and sewer operations are tracked in their own enterprise fund. In past years, excess revenues resulted in regular contributions to this fund. However, the fund has been depleted by major repair and improvement projects required by the state. Several factors have conspired to alter the balance of annual revenues and expenditures:

- Long-deferred improvements to the sewer treatment plant and underwater collection system have added capital costs and debt payments.
- Water system improvements and extensions have added capital costs and debt payments
- Water and sewer rates that did not increase over a 10-12 year period, despite continuing escalation in costs

Water rates were increased last year and a sewer rate increase is proposed this year. Additionally, it is our recommendation that, over the next few years, the council consider a modest subsidy from general fund expenditures in order to close shortfalls in the water & sewer operations. For FY 09-10, this subsidy is expected to be \$47, 857. Such a subsidy is appropriate in when a service essential to a municipality is unable to be fully funded by fee-paying users of the service. In Lake Lure, the unique challenges of our geography, age of the infrastructure and small customer base make it hard to cover costs without setting unreasonably high rates. Additional investments in utilities infrastructure were identified in the Comprehensive Plan as a needed strategy to support growth in key areas like schools, recreational and medical facilities.

4. Regular Operations – the overall budget for regular operations (excluding capital expenditures, projects and debt service) was reduced by over \$50,000 from FY 08-09. Nearly all departments have regular operations budgets that are reduced from last year.
5. Debt Service – the budget contains the following debt payments:

- Fire Station (payments through 2013)	\$15,524
- Public Docks (payments through 2012)	\$15,000
- Water Line Extension to Ingles (through 2026)	\$77,900
- Joint Wrapping Program (through 2029)	\$75,000

The Joint Wrapping Program is a new loan associated with the ARRA federal stimulus award. The award is a 50% grant, 50% no-interest loan up to a maximum of \$3,000,000, to be used to comprehensively seal every joint in the underwater sewer collection pipes.

6. Capital investments or special projects were reduced to only those considered to be essential priorities:

## Page 6 - Minutes of the June 9, 2009 Regular Council Meeting

- Silt Removal (regular maintenance dredging)	\$50,000
- Golf course irrigation water supply/pump house replacement	\$25,000
- Town beautification, Donald Ross Trails, Morse Park	\$15,000
- Lake instrumentation (flows into and out of lake)	\$10,000
- Morse Park improvements	\$5,000

Beyond regular maintenance, no other capital improvements, projects or technology upgrades are planned.

7. Fund Balances – this budget anticipates no withdrawals from fund balances to cover operating expenses. However, it also has no provision for contributions toward restoring or enhancing the fund balances.
8. The budget includes no cost-of-living adjustment (COLA) or merit pay increases for employees. It maintains current levels of contribution to retirement and healthcare benefits, which include:
  - NC state employees retirement fund premiums (defined benefit plan)
  - a 401K contribution of 5% of earnings for all employees
  - Employee healthcare insurance premiums (incl. commissioners)
  - NC state retirees healthcare insurance premiums
9. The budget includes no staff additions or reductions
10. The budget includes no purchases of vehicles or major equipment
11. Revenue in the Electric Fund was negatively impacted by the drought conditions in the area during all of 2008. We are proposing a conservative increase in revenues during 09-10. Any revenues above the cost of operations will be contributed to the silt removal fund.
12. The community development department budget includes no new planning projects that require outside, contractual services. The priorities for the department in the coming year include the charter school/NC-9 development area, the anticipated administration of the residential vacation rental program and the completion of GIS inventory of town utility infrastructure. Additionally, the environmental management officer role (and budget) has been transferred to the Lake Operations Department.

**Page 7 - Minutes of the June 9, 2009 Regular Council Meeting**

13. The costs associated with the lake operations department (staff, supplies, fuel, lake dredging, fish stocking, outside services) are fully covered through boat permit fees, lake tours and fines.
14. In FY 08-09 and FY 09-10, the golf course is projected to lose over \$150,000 each year. While the council recognizes that an operating profit is a goal, it is not necessarily a requirement because some level of subsidy is acceptable as an investment in a parks & recreation amenity. Given the cost structure and usage history, continuing to operate the course in the current manner is unacceptable. We are actively exploring options that include operating partnerships with professional golf firms or a member-managed cooperative. For the FY 09-10 budget, a planned price increase is projected to generate a 15% increase in revenues.
15. Renovation and expansion of the Visitor's Center / Youth Center is a strategic project that is proposed to be funded by a commercial lease arrangement with the Tourism Development Authority (TDA) and the Hickory Nut Gorge Chamber of Commerce. No additional funds are included in this budget (beyond annual maintenance).

In summary, the proposed town budget now before you is balanced as required by state law. In comparison to last year, overall revenues and expenditures are projected to increase by \$24,479 (.52%). The proposed General Fund budget is increased by \$39,572 (1%) from the prior fiscal year. Revenues/expenditures are increased in the Water/Sewer Fund by \$74,697 (11%), and the Electric Fund has a projected decrease of \$89,790 (37%) over last year's budget.

While this budget does not address every need, want, preference, desire, project, program, or requested capital item, it will provide for the continuation of the basic municipal services currently provided and at the level expected by our residents, while maintaining our tax rate in a difficult fiscal climate.

I hereby request your formal adoption of the town budget for Fiscal Year 2008-2009.

<b>PUBLIC HEARING - PROPOSED ORDINANCE NO. 09-06-09 REGARDING THE TOWN BUDGET FOR FISCAL YEAR 2009-2010</b>
---

Mayor Proctor opened the public hearing regarding proposed Ordinance No. 09-06-09 pertaining to the town budget for fiscal year 2009-2010 and invited citizens to speak during the public hearing. No one requested to speak during this hearing.

After discussion, Commissioner Turner made a motion to close the public hearing. Commissioner Beason seconded the motion and the vote of approval was unanimous.

<b>ADOPT ORDINANCE NO. 09-06-09 REGARDING THE TOWN BUDGET FOR FISCAL YEAR 2009-2010</b>
---

Public notices were duly given and published in the Forest City Daily Courier newspaper.

Commissioner Beason requested that town staff members have all expenditures exceeding \$1,000 pre-approved by the town manager before spending money in the budget.

After discussion, Commissioner Pitts made a motion to adopt Ordinance No. 09-06-09 as presented. Commissioner Hyatt seconded the motion and the vote of approval was unanimous.

**ORDINANCE NO: 09-06-09**

**AN ORDINANCE ADOPTING THE FISCAL  
YEAR 2009-2010 BUDGET FOR THE TOWN OF  
LAKE LURE, NORTH CAROLINA**

**SECTION 1.** In accordance with G.S. 159-13 (a), the Town Council of the Town of Lake Lure adopts this ordinance entitled Town of Lake Lure 2009-2010 Budget.

**SECTION 2.** This ordinance includes revenues and expenditures in the General Fund, Water/Sewer Fund and Electric Fund. The breakdown of revenues and expenditures are as follows:

**REVENUES**

**I. GENERAL FUND**

Ad Valorem and Vehicle Taxes	\$2,133,797
State Shared Revenues	\$972,425
Miscellaneous Revenues	\$82,060
Land Use Fees	\$50,615
Golf Course	\$176,275
Lake	\$274,700
Beach	\$48,000
Marina	\$35,630
Admin. Charge from Water/Sewer Fund	\$25,000
Admin. Charge from Electric Fund	\$25,000
Appropriated Fund Balance	\$0

<b>TOTAL GENERAL</b>	<b>\$3,823,502</b>
----------------------	--------------------

**II. WATER/ SEWER FUND**

Water and Sewer	\$751,407
-----------------	-----------

<b>TOTAL WATER/SEWER</b>	<b>\$751,407</b>
--------------------------	------------------



**Page 9 - Minutes of the June 9, 2009 Regular Council Meeting**

**III. ELECTRIC FUND**

Electric Receipts \$152,500

**TOTAL ELECTRIC \$152,500**

**GRAND TOTAL-ALL FUNDS \$4,727,409**

**EXPENDITURES**

**I. GENERAL FUND**

Governing Board \$39,701

Administration \$679,198

Police \$693,905

Fire Department \$644,082

E.M.S. \$0

Public Works \$457,360

Sanitation \$175,400

Golf Course \$312,900

Lake \$227,270

Beach \$20,000

Community Center \$41,023

Community Development \$254,228

Marina \$9,820

Insurance/Bonds \$140,865

Transfer to Water/Sewer \$46,857

Contingency Reserve \$80,893

**TOTAL GENERAL \$3,823,502**

**II. WATER/SEWER FUND**

Sewer \$454,844

Water \$296,563

Transfer to Equity \$0

**TOTAL WATER/SEWER \$751,407**

**III. ELECTRIC FUND**

Operations \$152,500

**TOTAL ELECTRIC \$152,500**

**GRAND TOTAL - ALL FUNDS \$4,727,409**

**Page 10 - Minutes of the June 9, 2009 Regular Council Meeting**

**SECTION 3.** To achieve this budget program, the Town Council of the Town of Lake Lure, in accordance with G.S. 159-13 (c), the tax rate shall remain \$0.21 per \$100.00 of property valuation.

**SECTION 4.** Pursuant to the authority set forth in Article 20, Chapter 160A of the North Carolina General Statutes, the Town of Lake Lure and Rutherford County have entered into a contractual agreement to provide for centralized and systemized billing and collection of property taxes in Rutherford County. Under this agreement the County will perform for itself and the Town all of the tax collection functions prescribed in Subchapter 50 of Chapter 105 of the North Carolina General Statutes (often referred to as the Machinery Act). This joint tax collection system shall commence with the tax levy for the fiscal year beginning July 1, 2009. In accordance with section V. of this agreement, the Town of Lake Lure hereby adopts the same tax discount schedule as the County for the Town's tax levy for the fiscal year commencing July 1, 2009.

Adopted the 9th day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mary A. Flack, MMC  
Town Clerk

\_\_\_\_\_  
Jim Proctor  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
J. Christopher Callahan  
Town Attorney

**PUBLIC HEARING - CONSIDER PROPOSED RESOLUTION NO. 09-06-09 GRANTING CONFORMING STATUS TO THE LAKE STRUCTURES AT THE RUMBLING BALD MARINA, QUAIL COVE CONDOMINIUMS, AND PIERPOINT SUBDIVISION WITHIN THE TOWN OF LAKE LURE**

Planner Amos Gilliam gave a brief overview and answered questions pertaining to proposed Resolution No. 09-06-09.

Mayor Proctor opened the public hearing regarding proposed Resolution No. 09-06-09 granting conforming status to the lake structures at the Rumbling Bald Marina, Quail Cove Condominiums, and Pierpoint Subdivision within the Town of the Lake Lure and he invited citizens to speak during the public hearing. Attorney Bob Yelton spoke on behalf of Donald Piers regarding Pierpoint Subdivision being granted conforming status to certain existing lake structures. Attorney Yelton said he was in favor of the proposed resolution.

After discussion, Commissioner Turner made a motion to close the public hearing. Commissioner Pitts seconded the motion and the vote of approval was unanimous.

**CONSIDER ADOPTION OF RESOLUTION NO. 09-06-09 GRANTING CONFORMING STATUS TO THE LAKE STRUCTURES AT THE RUMBLING BALD MARINA, QUAIL COVE CONDOMINIUMS, AND PIERPOINT SUBDIVISION WITHIN THE TOWN OF LAKE LURE**

Public notices were duly given and published in the Forest City Daily Courier newspaper.

After discussion, Commissioner Hyatt made a motion to adopt Resolution No. 09-06-09 as presented. Commissioner Beason seconded the motion and the vote of approval was unanimous.

**RESOLUTION NO. 09-06-09**

**A RESOLUTION GRANTING CONFORMING STATUS TO THE LAKE STRUCTURES AT THE RUMBLING BALD MARINA, QUAIL COVE CONDOMINIUMS, AND PIERPOINT SUBDIVISION WITHIN THE TOWN OF LAKE LURE**

**WHEREAS**, the Lake Advisory Committee met May 7, 2007 to discuss the 2007 Marina and Cluster Mooring Inventory Document; and

**WHEREAS**, the Lake Advisory Committee at said meeting recommended the completion of all action items; and

**WHEREAS**, the 2007 Marina and Cluster Mooring Inventory Document includes several action items requiring Town Council action; and

**WHEREAS**, Action Items #2 (Rumbling Bald Marina), #4 (Quail Cove Condominiums), and #7 (Pierpoint Subdivision) recommend that Town Council grant conforming status to certain existing lake structures, and

**NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE AS FOLLOWS:**

1. The Town Council now declares the Rumbling Bald Marina at Rumbling Bald Resort as situated in its existing condition on this date as a conforming Lake Structure.
2. The Town Council now declares the Boathouses at the Quail Cove Condominiums as situated in its existing condition on this date as conforming Lake Structures.
3. The Town Council now declares the Lake Structure at the Pierpoint Subdivision as situated in its existing condition on this date as a conforming Lake Structure.

Read and approved this 9<sup>th</sup> day of June, 2009.

**Page 12 - Minutes of the June 9, 2009 Regular Council Meeting**

ATTEST:

\_\_\_\_\_  
Mary A. Flack, MMC  
Town Clerk

\_\_\_\_\_  
Mayor Jim Proctor

APPROVED AS TO FORM:

\_\_\_\_\_  
J. Christopher Callahan  
Town Attorney

<b>PUBLIC FORUM</b>
---------------------

Mayor Proctor invited the audience to speak on any non-agenda item and/or consent agenda topics and David Matheny requested to speak. He asked Town Council to look into the matter of high gas prices being charged at the town marina being leased to Lake Lure Tours, Inc.

After discussion, Council members directed the town manager to look into the matter concerning gas prices at the town marina and report back to council at the July 14<sup>th</sup> council meeting.

<b>STAFF REPORTS</b>
----------------------

Town Manager Chris Braund read his report into the record dated June 9, 2009. (Copy of the town manager's report is attached).

<b>COUNCIL LIAISON REPORTS &amp; COMMENTS</b>
---

Mayor Proctor gave a brief update on the status of the Lake Lure Classical Academy.

After discussion, Council members agreed to authorize the town manager to choose a committee including council members to work together on a lease agreement for the Lake Lure Classical Academy.

Commissioner Turner reported on the activities of the Parks and Recreation Board.

Commissioner Pitts reported on the activities of the Zoning/Planning Board.

Commissioner Beason reported on the activities of the Golf Course Committee and the Lake Advisory Board.

Commissioner Hyatt reported on the activities of the Lake Lure ABC Board and the Board of Adjustment/Lake Structures Appeals Board.

**Page 13 - Minutes of the June 9, 2009 Regular Council Meeting**

After discussion, Commissioner Pitts made a motion to schedule a special council meeting to be held on Tuesday, June 16, 2009, 2:00 p.m., in the meeting room of the Lake Lure Municipal Center for the purpose of holding discussion regarding attorney client privilege and legal matters in accordance to G.S. 143-318.11(a)(3). Commissioner Beason seconded the motion and the vote of approval was unanimous.

<b>CONSENT AGENDA</b>
-----------------------

Mayor Proctor presented the consent agenda and asked if any item should be removed before calling for action.

Commissioner Turner moved, seconded by Commissioner Hyatt, to approve the consent agenda items as presented. Therefore, the consent agenda, incorporating the following items were unanimously approved and adopted :

- a. minutes of May 12, 2009 (regular and special meeting), May 19, 2009 (special meeting), and May 21, 2009 (special meeting);
- b. Ordinance No. 09-06-09A adopting a policy allowing the police department to conduct background checks on candidates for town employment;

**ORDINANCE NUMBER 09-06-09A  
TOWN OF LAKE LURE  
CRIMINAL HISTORY CHECK ORDINANCE**

**WHEREAS**, the Town Manager has recommended that the Lake Lure Council adopt a policy allowing the Police Department to conduct background checks on potential new hires.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF THE COUNCIL MEMBERS VOTING IN THE AFFIRMATIVE:**

This ordinance adopted by the Lake Lure Town Council is to provide a policy and procedures for conducting criminal history checks through SBI/DCI on final applicants for employment with the Town of Lake Lure. This ordinance is adopted pursuant to the authority vested in the Town of Lake Lure by the General Assembly of the State of North Carolina in Sections 160A-11 and 160A-12 of the North Carolina General Statutes.

1. In order to protect the citizens of the Town of Lake Lure and their properties, the procedures herein are established to provide for fingerprinting and criminal history checks on all final applicants for regular full and part-time positions in the town government. Subject to Division (C) of this section, employment with the town may

**Page 14 - Minutes of the June 9, 2009 Regular Council Meeting**

be denied for those persons convicted of any crime against a person, or crimes against property where intent is an element, or any drug or gambling related offense.

- (A) The Town Manager, or designee, may conduct an investigation of any final candidate for a permanent full-time or part-time position with the Town of Lake Lure and it shall be a precondition of employment that an applicant for such a position shall, upon request, provide fingerprints and all other necessary personal identification including a birth certificate, social security number and driver's license, if available, so that the town manager, or designee may cause a thorough search to be made of local and state criminal records to determine if the applicant has a history of criminal convictions or the crimes enumerated above by use of the Division of Criminal Information Network (DCI).
  - (B) The Town of Lake Lure Police Department shall provide the findings from the use of the DCI to the town manager, or designee, provided that all necessary agreements with the State Bureau of Investigations Division of Criminal Information have been executed.
  - (C) An evaluation of any crime for purposes of employment will take into account the nature and the circumstances of the offense and the time frame of the offense as it relates to the essential job functions of the position applied.
  - (D) Prior to denial or termination or employment based upon criminal history record information (CHRI) received from the Town of Lake Lure Police Department shall verify the existence of a record by either obtaining a certified public record or by submitting a fingerprint card of the individual to the criminal information and identification section for verification that the CHRI record belongs to the individual.
- 2. If this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given separate effect and to that end the provisions of this Ordinance are declared to be severable.
  - 3. Any Ordinance or any part of an Ordinance in conflict with this Ordinance, to the extent of such conflict, is hereby repealed.
  - 4. This Ordinance is adopted in the interest of public health, safety, and general welfare of the inhabitants of Lake Lure, North Carolina, and shall be in full force and effect from and after its adoption.

Adopted this 9<sup>th</sup> day of June, 2009.

**Page 15 - Minutes of the June 9, 2009 Regular Council Meeting**

ATTEST:

\_\_\_\_\_  
Mary A. Flack, MMC  
Town Clerk

\_\_\_\_\_  
Jim Proctor  
Mayor

APPROVED AS TO FORM AND CONTENT:

\_\_\_\_\_  
J. Christopher Callahan  
Town Attorney

- c. a request as submitted by Marilyn Brucksch for the visually impaired group of Rutherford County to hold a luncheon meeting in the Community Hall of the Lake Lure Municipal Center on September 11, 2009 from 11:00 a.m. until 2:00 p.m.; waive the rental fee for this event;
- d. a fabric structure permit as submitted by Ruth Shaw on behalf of the Hickory Nut Gorge Chamber of Commerce contingent upon approval by Fire Chief Ron Morgan;
- e. updated municipal retention and disposition schedule dated May 19, 2009 as published and issued by the North Carolina Department of Cultural Resources; authorize the Mayor, Town Manager, and Town Clerk to sign this document; and
- f. Resolution No. 09-06-09B as submitted opposing Senate Bill 758 transferring the responsibility for road maintenance of secondary roads to local governments.

**RESOLUTION NO. 09-06-09B**

**A RESOLUTION OF THE TOWN OF LAKE LURE OPPOSING SENATE  
BILL 758 TRANSFERRING THE RESPONSIBILITY OF ALL STATE  
MAINTAINED SECONDARY ROADS TO LOCAL GOVERNMENTS**

**WHEREAS**, on March 23, 2009, Senate Bill 758 was introduced by Senator Bob Rucho and Senator Daniel Clodfelter and subsequently the bill was referred to the Committee on Appropriations, and

**WHEREAS**, Senate Bill 758 proposes to transfer the responsibility of road maintenance for all secondary roads to the counties which will significantly increase the ad valorem taxes for Rutherford County property owners to cover the cost of maintaining these roads; and

**WHEREAS**, Rutherford County has 900 miles of secondary roads (850 paved and 50 unpaved); and

**Page 16 - Minutes of the June 9, 2009 Regular Council Meeting**

**WHEREAS**, should this bill pass, Rutherford County will need to increase the ad valorem taxes by 9 cents to cover the cost of road maintenance and an additional 17 cents for road paving and enhancements totaling 26 cents; and

**WHEREAS**, the current Powell Bill funding allocations to municipalities is inadequate to address current municipal street maintenance and construction needs;

**WHEREAS**, Rutherford County and other Counties in North Carolina are currently under financial distress and now is not the time to consider placing the additional burdens for street maintenance and construction on local governments.

**NOW, THEREFORE, BE IT RESOLVED**, that the Town of Lake Lure Council supports Rutherford County in its adamant opposition to Senate Bill 758 and similar legislation. And further, that any transfer of maintenance and construction responsibilities for highways and/or secondary roads from State to the local governments should include adequate, dependable funding sources for those roadways.

Adopted this 9th day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mary A. Flack  
Town Clerk

\_\_\_\_\_  
Jim Proctor  
Mayor

**End of Consent Agenda.**

<p><b>UNFINISHED BUSINESS:</b> <b>A. Other Unfinished Business</b></p>
--

There was no other unfinished business for discussion.

<p><b>NEW BUSINESS:</b></p>
-----------------------------

<p><b>a. PRESENT AN AWARD OF APPRECIATION HONORING FORMER COMMISSIONER JEANINE NOBLE</b></p>
--

Mayor Proctor presented an award of appreciation to former Commissioner Jeanine Noble for her dedicated public service and outstanding contributions as Commissioner of the Town of Lake Lure. Town Council held a brief reception in her honor. The meeting was reconvened at 8:24 p.m.



**NEW BUSINESS:**

**b. CONSIDER A REQUEST FROM ANNA FRENCH AND JOHN JOHNSON FOR AMERICAN PROMOTIONAL EVENTS, INC., DBA TNT FIREWORKS TO SELL FIREWORKS IN THE GRASSY AREA ADJACENT TO LAKE LURE INGLES PARKING LOT AND SUSPEND THE TOWN'S PEDDLING ORDINANCE FROM JUNE 22, 2009 UNTIL JULY 5, 2009 FOR THESE EVENTS**

John Johnson and Anna French answered questions pertaining to their request for American Promotional Events, Inc., DBA TNT Fireworks to sell fireworks in the grassy area adjacent to Lake Lure Ingles parking lot and have the town's peddling ordinance suspended from June 22, 2009 until July 5, 2009 for these events.

After discussion, Commissioner Pitts made a motion to approve the request from Anna French and John Johnson for American Promotional Events, Inc., DBA TNT Fireworks to sell fireworks in the grassy area adjacent to Lake Lure Ingles parking lot and suspended the town's peddling ordinance from June 22, 2009 until July 5, 2009 for these events. Commissioner Turner seconded the motion and the vote of approval was unanimous.

**NEW BUSINESS:**

**c. CONSIDER ADOPTING RESOLUTION NO. 09-06-09A APPROVING THE GENERAL DEVELOPMENT PLAN, DATED JUNE 1, 2009, FOR THE TOWN OF LAKE LURE PROPERTY (NC-9 AND ISLAND CREEK ROAD)**

Community Development Director Shannon Baldwin reviewed and answered questions pertaining to proposed Resolution No. 09-06-09A approving the General Development Plan, dated June 1, 2009, for the Town of Lake Lure Property (NC-9 and Island Creek Road).

After discussion, Commissioner Pitts made a motion to adopt Resolution No. 09-06-09A approving the General Development Plan, dated June 1, 2009, for the Town of Lake Lure Property (NC-9 and Island Creek Road) as presented by Community Development Director Shannon Baldwin. Commissioner Turner seconded the motion and the vote of approval was unanimous.

**RESOLUTION NO. 09-06-09A**

**A RESOLUTION ADOPTING THE NC 9  
GENERAL DEVELOPMENT PLAN FOR  
PROPERTY OWNED BY THE TOWN OF  
LAKE LURE**

**Page 18 - Minutes of the June 9, 2009 Regular Council Meeting**

**WHEREAS**, the Town of Lake Lure desires to efficiently utilize and derive maximize benefits from town property to serve the needs of those residing in the Lake Lure area and those to relocate here in the future; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies ED-1-1.1, ED-1-2.1, ED-1-3.1, and ED-2-2.1 as goals and policies for facilitating *Economic Development*; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies PR-1-1.1, PR-1-3.1, PR-2-1.1, PR-2-2.3, PR-2-2.5, PR-3-1.1, PR-3-1.2, PR-3-1.3, PR-3-1.4, and PR-3-3.1 as goals and policies for improving *Parks and Recreation*; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies SF-1-1.1 as a goal for enhancing *Community Services and Facilities*; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies CA-1-2.1(1) as a goal for emphasizing good *Community Appearance and Design*; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies NE-2-1.2 and NE-2-1.1 as goals and policies for protecting *Natural Environment and Open Space*; and

**WHEREAS**, the 2007-2027 Town of Lake Lure Comprehensive Plan identifies LU-1-1.1, LU-1-1.4, LU-1-1.5, LU-1-1.8, and LU-1-1.9 as goals and policies for improving *Land Use and Growth Management*; and

**WHEREAS**, the Town of Lake Lure owns property (identified by PIN 1641654) located in the vicinity of NC 9 and Island Creek Road area and recognizes the importance of developing this property in an orderly manner in accordance with a master plan; and

**WHEREAS**, the town council commissioned WNC Professional Engineers & Surveyors to prepare a master plan to be made available to town staff, engineers, contractors and others for use in the design and construction of various projects; and

**WHEREAS**, a preliminary design concept of the master plan was posted on the town's website for public viewing after town council reviewed the draft plan at its April 14, 2009

**Page 19 - Minutes of the June 9, 2009 Regular Council Meeting**

meeting ; and

**WHEREAS**, the master plan was completed and will serve as a guide for coordinating efforts as said town property is efficiently and effectively developed over time to promote the general welfare; and

**NOW, THEREFORE, BE IT RESOLVED** that the "General Development Plan, Town of Lake Lure" dated June 1, 2009, attached hereto has been found to be consistent with the 2007-2027 Town of Lake Lure Comprehensive Plan, considered to be a worthy guide for the development and use of the town property (PIN 1641654) indicated thereon, and is hereby adopted.

This resolution shall be in effect upon its adoption.

Adopted this 9<sup>th</sup> day of June, 2009.

ATTEST:

\_\_\_\_\_  
Mary A. Flack, MMC  
Town Clerk

\_\_\_\_\_  
Jim Proctor  
Mayor

APPROVED AS TO FORM

\_\_\_\_\_  
J. Christopher Callahan  
Town Attorney

**NEW BUSINESS:**

**d. Consider Awarding a Bid for the Sewer Joint Sealing Project Contingent Upon Loan Approval by the North Carolina Local Government Commission and Approval of the Bid Information Package by the North Carolina Construction Grants and Loans Section of NCDENR; Also, Authorize the Town Manager to Sign a Contract with Brown Consultants for Their Services on this Project**

## **Page 20 - Minutes of the June 9, 2009 Regular Council Meeting**

Town Manager Chris Braund furnished and reviewed his memorandum addressed to Town Council members dated June 3, 2009 regarding a bid award for the sewer joint sealing project. He also furnished copies to Council members of two memorandums from Chief Engineer Harlow Brown of Brown Consulting, dated May 29, 2009, pertaining to bid award recommendation for the sewer joint wrapping-sealing under Lake Lure ARRA Project No. 2W370489-04 and a memorandum from Jeffrey T. Brown, President of Brown Consulting, dated May 7, 2009, regarding engineer services for the sewer joint sealing project. (Attached are copies of the memorandums from Chris Braund dated June 3, 2009, from Harlow Brown dated May 29, 2009, and Jeffrey T. Brown dated May 7, 2009.)

Harlow Brown said he recommended that the Town of Lake Lure also contract with 2-W Diving, the company that has been performing the sewer pipe joint wrappings for the Town to date, to assist with underwater inspection work. Mr. Brown informed Council members that the owner/manager of 2-W Diving, Mr. Gary Weeks, via a phone conference call held on May 28, 2009 between Town Manager Chris Braund, Wastewater Treatment Plant Operator William Grimes, and himself verbally agreed to work and serve as the Town's inspection arm on this project. Mr. Brown said using 2-W Diving in this inspection role was fully discussed with Mr. Ray Hobby, Southeastern Underwater Services, and all parties agreed that this is an acceptable excellent idea. Brown Consultants agreed to prepare cost estimates and contracts for work to be presented to Council members in a future meeting.

Harlow Brown introduced Ray Hobby, owner of Hobby Construction Company. Mr. Hobby responded to questions relating to safety concerns with regards to divers working on the sewer pipe wrapping project. He reassured Council members that precautions would be taken to ensure the safety of the divers and public, such as, using special lighting for visibility, warning devices and signage for this project.

After discussion, Commissioner Russ Pitts made a motion to:

1. Award the ARRA Sewer Joint Wrapping-Sealing Project No. 2W370489-04 to Hobby Construction Company in the amount of \$1,842,250 contingent upon: (a) loan approval by the North Carolina Local Government Commission, and (b) approval of the bid information package by the North Carolina Construction Grants and Loans Section of North Carolina Department of Environment and Natural Resources.
2. Authorize Southeastern Underwater Services as Hobby's main subcontractor.
3. Approve the engineering service proposal submitted by Jeffrey T. Brown, President of Brown Consulting dated May 7, 2009 as presented contingent upon: (a) loan approval by the North Carolina Local Government Commission, and (b) approval of the bid information package by the North Carolina Construction Grants and Loans Section of North Carolina Department of Environment and Natural Resources.

**Page 21 - Minutes of the June 9, 2009 Regular Council Meeting**

4. Authorize the town manager to sign this agreement on behalf of the Town of Lake Lure.

Commissioner Bill Beason seconded the motion and the vote of approval was unanimous.

**NEW BUSINESS:**

**e. BOARD APPOINTMENT - LAKE ADVISORY BOARD**

Council members voted by ballot and Town Manager Braund announced the following results.

Mark Helms was appointed to fill Bill Beason's position to serve on the Lake Advisory Board with a term expiring on December 31, 2010.

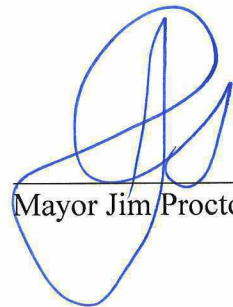
**ADJOURN THE MEETING**

With no further items of discussion, Commissioner Turner made a motion to adjourn the meeting 8:50 p.m. Commissioner Pitts seconded the motion and the vote of approval was unanimous.

ATTEST:



Mary A. Flack, MMC  
Town Clerk



Mayor Jim Proctor