



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD TUESDAY, AUGUST 13, 2013, 7:00 P.M. AT THE LAKE LURE MUNICIPAL
CENTER**

PRESENT: Mayor Bob Keith
Commissioner Mary Ann Silvey
Commissioner Bob Cameron
Commissioner John W. Moore
Commissioner Diane Barrett

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

ABSENT: N/A

CALL TO ORDER

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

INVOCATION

Attorney Chris Callahan gave the invocation.

PLEDGE OF ALLEGIANCE

Council members led the pledge of allegiance.

APPROVE THE AGENDA

Commissioner Bob Cameron made a motion to approve the agenda as presented.
Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous.

PUBLIC HEARING PROPOSED RESOLUTION NO. 13-08-13 APPROVING THE ISSUANCE OF NOT TO EXCEED \$9,000,000 OF THE PUBLIC FINANCE AUTHORITY EDUCATION REVENUE BONDS (LAKE LURE CLASSICAL ACADEMY), SERIES 2013A

Town Manager Chris Braund gave a brief overview of proposed Resolution No. 13-08-13.

Mayor Bob Keith opened the public hearing concerning Resolution No. 13-08-13 approving the issuance of not to exceed \$9,000,000 of the public finance authority education revenue bonds (Lake Lure Classical Academy), series 2013A.

No one requested to speak during the public hearing.

CONSIDER ADOPTION OF PROPOSED RESOLUTION NO. 13-08-13 APPROVING THE ISSUANCE OF NOT TO EXCEED \$9,000,000 OF THE PUBLIC FINANCE AUTHORITY EDUCATION REVENUE BONDS (LAKE LURE CLASSICAL ACADEMY), SERIES 2013A

Public notices were duly published.

After discussion, Commissioner John Moore made the motion to adopt Resolution No. 13-08-13 approving the issuance of not to exceed \$9,000,000 of the public finance authority education revenue bonds (Lake Lure Classical Academy), Series 2013A understanding that the Town bears no responsibility or liability for the payment of the debt. The motion was seconded by Commissioner Mary Ann Silvey and the vote of approval was unanimous.

RESOLUTION NO. 13-07-09

RESOLUTION APPROVING THE ISSUANCE OF NOT TO EXCEED \$9,000,000 OF THE PUBLIC FINANCE AUTHORITY EDUCATION REVENUE BONDS (LAKE LURE CLASSICAL ACADEMY), SERIES 2013A

WHEREAS, at 7:00 P.M., the Mayor announced that the Town Council (the “Council”) would proceed to hold a public hearing and would hear anyone who wished to be heard on the proposed issuance by the Public Finance Authority (the “Authority”), a unit of government and a body corporate and politic of the State of Wisconsin, of not exceeding \$9,000,000 of its Education Revenue Bonds (Lake Lure Classical Academy), Series 2013A (the “Bonds”);

WHEREAS, the Authority will loan the proceeds of the Bonds to Classical Academies CFA Inc., a North Carolina nonprofit corporation doing business as Lake Lure Classical

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Academy-A Challenge Foundation Academy, (the “Borrower”) and the Borrower will use the proceeds of the loan from the Authority to (1) finance and refinance the costs of acquiring, constructing, equipping, improving and operating, as applicable, land and buildings used or to be used by the Borrower as school facilities to be located at the intersection of NC Highway 9 and Island Creek Road in Lake Lure, North Carolina (the “Project”) (2) finance the cost of interest for approximately twelve months, (3) finance the cost of a debt service reserve fund and (4) pay certain expenses incurred in connection with the issuance of the Bonds by the Authority;

WHEREAS, pursuant to Section 66.0304(11)(a) of the Wisconsin Statutes, prior to their issuance, bonds issued by the Authority must be approved by the governing body or highest ranking executive or administrator of the political jurisdiction within whose boundaries the project is located (the “Project Jurisdiction”);

WHEREAS, the Borrower has requested that the Council approve the financing and refinancing of the Project and the issuance of the Bonds in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the “Joint Exercise Agreement”) and Section 66.0304(11)(a) of the Wisconsin Statutes;

WHEREAS, on July 18, 2013, a notice of public hearing was published in *The Daily Courier*, setting forth a general, functional description of the type and use of the facilities to be financed and refinanced, the maximum principal amount of the Bonds, the initial owner, operator or manager of the facilities and the location of the facilities, among other things;

WHEREAS, the names, address and testimony of the persons who were present and who offered comments on the proposed issuance of the Bonds or who responded in writing to the notice of public hearing are as follows: None

WHEREAS, the Mayor inquired elsewhere in and around the meeting room to determine whether there were any other persons who wished to speak at the public hearing and the Mayor determined that no other persons who wished to speak at the public hearing were found; and

WHEREAS, the purpose of the above-described public hearing and this resolution is to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), in order to qualify the interest on the Bonds for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Code;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF LAKE LURE, NORTH CAROLINA:

Section 1. For the sole purpose of qualifying the interest on the Bonds for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the

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applicable provisions of the Code, the Council hereby approves the issuance of the Bonds by the Authority for the purpose of providing funds to finance and refinance the Project, provided that in no event shall the Town of Lake Lure, the State of North Carolina or any political subdivision thereof be liable for such Bonds nor shall the Bonds constitute a debt of the Town of Lake Lure, the State of North Carolina or any political subdivision thereof. It is the purpose and intent of the Council that this resolution constitute approval of the issuance of the Bonds by the applicable elected representative of the Project Jurisdiction, which is the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code and Section 66.0304(11(a) of the Wisconsin Statutes and Section 4 of the Joint Exercise Agreement.

Section 2. This resolution shall take effect immediately upon its passage.

ADOPTED, this the 13th day of August 2013.

PUBLIC FORUM

Mayor Bob Keith invited the audience to speak on any non-agenda items and/or consent agenda topics.

Keith Price, representing American Legion Post 243, stated that the post is working to get Rutherford County's two Congressional Medal of Honor recipients, Bryant Womack and Jerry Crump, honored by having two significant highways in Rutherford County named after them. Mr. Price explained that it is unique to have two Congressional Medal of Honor recipients associated with the same county. Mr. Price asked for the community's support in honoring these to Korean War heroes. Mr. Price also suggested that if a portion of Highways 74 and 221 were renamed it could help to eliminate the confusion associated with having multiple Highway 74s and Highway 221s in the county.

Commissioner Mary Ann Silvey stated that the highway that runs through Lake Lure is Memorial Highway and asked who it was named to honor.

After discussion, Commissioner John Moore made a motion to create a Resolution supporting American Legion post 243 in their effort to have two significant highways in Rutherford County after Congressional Honor recipients Bryant Womack and Jerry Crump. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

Gary McCall of 420 Boy's Camp Road asked to hold his comments until item 12b, consideration of recommendations for use of town property at 104/106 Boys Camp Road.

Mayor Bob Keith agreed to allow Mr. McCall to speak later in the meeting.

STAFF REPORTS

Town Manager Chris Braund presented the town manager's report dated August 13, 2013. (Copy of the town manager's report is attached.)

COUNCIL LIAISON REPORTS & COMMENTS

Commissioner Bob Cameron reported on the activities of the Lake Lure Board of Adjustment/Lake Structures Appeal Board. Mr. Cameron also announced that there are two vacancies on the BOA/LSA Board and encouraged citizens to submit applications to be considered for appointment to the boards.

Commissioner Mary Ann Silvey reported on the activities of the Lake Lure Lake Advisory Board and the ABC Board.

Commissioner John Moore reported the activities of the Zoning and Planning Board.

Commissioner Diane Barrett reported the activities of the Parks and Recreation Board and the activities of the Lake Lure Classical Academy School Board.

CONSENT AGENDA

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

After discussion, Commissioner Bob Cameron made a motion to approve as the consent agenda as amended, removing item 10b for discussion. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous. Therefore, the consent agenda incorporating the following items was unanimously approved:

- a. minutes of the July 9, 2013 (Regular Meeting)
- c. the following budget amendment submitted by Finance Director Sam Karr as outlined in memo dated August 3, 2013 concerning projects not completed on June 30, 2013 (Copy of memo attached.):

	<u>Revenue</u>	<u>Appropriation</u>
<u>General Fund</u>		
Transfer from Fund Balance	\$1,500	
Economic Development		
-Community Branding		\$1,500

End of Consent Agenda.

UNFINISHED BUSINESS:

a. CONSIDER APPROVAL OF A FIRE DEPARTMENT BUDGET AMENDMENT FOR BRUSH TRUCK EQUIPMENT

Lake Lure Fire Chief Ron Morgan gave an overview of a proposed budget amendment to fund equipment for a new brush truck as outlined in his memo to town council.

After discussion, Commissioner Bob Cameron made a motion to approve a budget amendment to transfer \$14,000 from the capital reserve account into the supplies-equipment account (218) to outfit a new brush truck with a new pump, tank, hose and reel and equipment necessary to place this unit in service. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous.

UNFINISHED BUSINESS:

b. OTHER UNFINISHED BUSINESS

Commissioner John Moore made a motion to request that the Zoning and Planning Board work with the HNG Chamber of Commerce to form committees to review town regulations concerning the application process used by both homeowners and businesses and their architects, engineers and general contractors and to solicit recommendations to improve the various application processes and that the Town of Lake Lure Community Development department assist the chamber and their committees in this project. And likewise, the Zoning and Planning Board will work with the HNG Chamber of Commerce to review regulations affecting businesses such as the sign ordinance.

Commissioner Moore stated that the scope of the reviews should be broad and include a review of various fees with the goal of making the application process as user friendly as possible while keeping in mind the town's responsibility to preserve the character and beauty of our community to obtain specific recommendations to improve existing ordinances and/or regulation.

Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

NEW BUSINESS:

a. CONSIDER APPROVAL OF A REQUEST SUBMITTED BY GWYN LAMM ASKING TOWN COUNCIL TO WAIVE THE REQUIREMENT THAT HER HOME AT 228 SNUG HARBOR BE CONNECTED TO THE TOWN'S WATER SYSTEM

Gwyn Lamm provided council members a handout outlining a request asking that she not be required to connect to the town's water system. Ms. Lamm explained that she wanted to be allowed to continue to use her well located on her property at 228 Snug Harbor Circle stating that her family uses the property infrequently and that the well has been used for at least 75 years. Ms. Lamm asked to be allowed to pay the water connection fee and the minimum monthly payment, but still be allowed to use her well for water.

Commission John Moore stated that he met with Ms. Lamm's son at the property and his main concern was that destructing the land between the house and the meter would cause more erosion on the steep bank at the property and potentially kill the ivy that is holding the ground back and trees on the property.

After discussion, Commissioner John Moore proposed that Ms. Lamm be allowed to pay the connection fee and the minimum water rate for six months out of the year, but be allowed to continue using the well.

Town Manager Chris Braund cautioned that there are a number of customers in Lake Lure and Chimney Rock Village that also use their properties infrequently, but since they are connected to the town waster system they are required to pay at least the base water rate the entire year. Mr. Braund suggested that allowing Ms. Lamm to only pay for water six months out of the year may set a precedent and other water customer may ask to do the same.

After further discussion, Commissioner John Moore made a motion to allow Ms. Lamm to pay half of the current tap fee (the same rate that has been negotiated and paid her neighbors) and pay the base water rate each billing cycle, but be allowed to continue use of her well and not connect to the town's water system until the well that is currently being used on the property is no longer usable. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

NEW BUSINESS:

c. CONSIDER APPROVAL OF REQUESTS RELATING TO THE 4TH ANNUAL DIRTY DANCING FESTIVAL

Commissioner Mary Ann Silvey stated that town council has approved a reduced fee schedule for non-profits and suggested that town council stick with the schedule instead of completely waiving the rental fee for the Dirty Dancing Festival.

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After discussion, Commissioner John Moore made a motion to waive the rental fee for the event stating that the Dirty Dancing Festival is a benefit to the community and the town has always endorsed the event. The motion did not carry.

After further discussion, Commissioner Mary Ann Silvey made a motion to approve the request regarding the 4th Annual Dirty Dancing Festival at Lake Lure being held August 16-17, 2013 as outlined in a letter submitted by Jo Beyersdorfer dated July 28, 2013 to: (1) suspend the town peddling ordinance during the festival, (2) use of certain town property, (3) use the parking lot for dance lessons and restrict parking spaces at Morse Park Meadow's parking lot for the event entertainers, vendors, staff, and volunteers along with customers for Lake Lure Tours, (4) suspend the town's alcohol ordinance in order to sell beer and wine in Morse Park Meadows within a fenced perimeter during the festival, (5) approve entertainment permits and a fabric structure permit for the event as presented, but require that the preapproved reduced rental rate of \$100 be paid for use of Morse Park Meadow. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

NEW BUSINESS:

b. CONSIDER APPROVAL OF RECOMMENDATIONS FOR TOWN PROPERTY AT 104/106 BOYS CAMP ROAD

Charlie Ellis, member of the Zoning and Planning Board, presented information concerning property purchased by the town at 104/106 Boys Camp Road and reviewed excerpts from Resolution No. 13-07-09 concerning the property. Mr. Ellis explained that a small task force has been created to aid in determining what should be done with the property and presented recommendations from the group as outlined in memo dated August 8, 2013. (Copy of memo attached.)

Mr. Ellis stated that the task force reached the conclusion that, due to safety concerns, violations, encroachments, the building's non-compliance with disability act, and other concerns, the building should be demolished. Mr. Ellis suggested that after the property is cleared that the group work with the community to determine what the best use for this property is.

Commissioner John Moore asked if the pavilion in between the buildings could be saved. Mr. Ellis stated that the committee does suggest leaving the pavilion, at least temporarily, as long as it could support its own weight when the other buildings are removed.

Gary McCall of Boys Camp Road stated that there were conflicts between information presented at the previous meeting and what was described at this month's meeting. Mr. McCall stated that the group's study should have been done before the property was purchased by the town. Mr. McCall questioned the amount of funds available in the reserve fund and stated that Raleigh suggests that 50 percent of the operating budget be kept in reserve and that he would like to see the reserve fund up to the suggested percentage. Mr. McCall stated that he would like for

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the mayor to take a public position at meetings prior to decisions being made by council. Mr. McCall suggested that a public hearing be held to determine what the town citizens would like to see done with the property.

Barbara Searcy of 201 Havnaers Point Circle stated that council members rushed into the purchase and made a “really bad decision”. Ms. Searcy stated that every building in Chimney Rock is old, but they are not being demolished. Ms. Searcy pointed out that there are no stores in Lake Lure and suggested that town council should find a way to draw in more sales tax instead of relying on property owner’s taxes so heavily.

Stephen Webber of 266 Burnt Ridge Road suggested that if the buildings are demolished there may be items, such as the mill stones outside, which may be salvageable.

Commissioner John Moore made a motion to approve the recommendations to demolish the buildings on the property and see what can be salvaged from the structures. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

ADJOURN THE MEETING

With no further items of discussion, Commissioner Bob Cameron made a motion to adjourn the meeting at 8:55 p.m. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

ATTEST:

Andrea H. Calvert
Town Clerk

Mayor Bob Keith