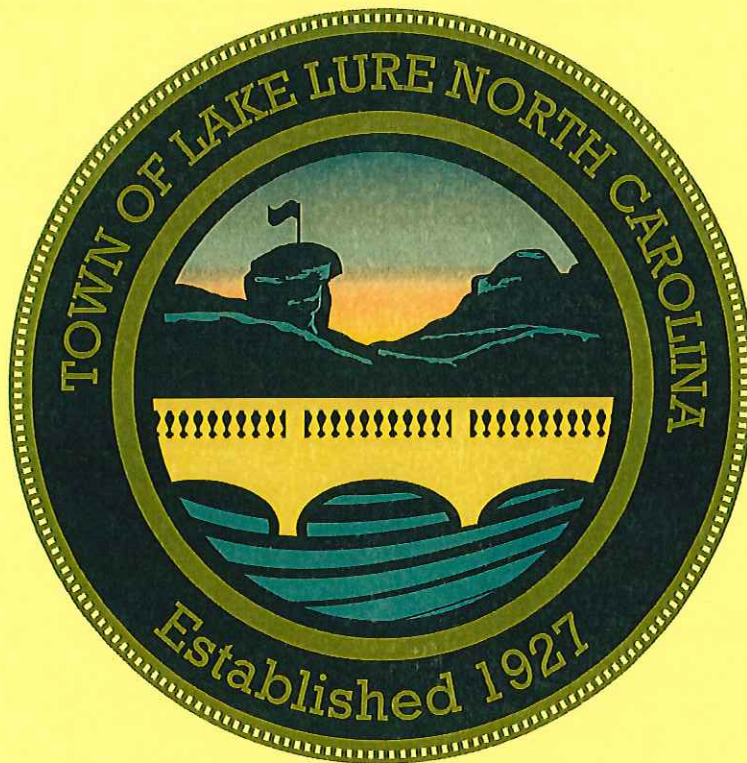


LAKE LURE TOWN COUNCIL REGULAR MEETING PACKET

Tuesday, June 10, 2014



Mayor Bob Keith

Commissioner John Moore

Commissioner Mary Ann Silvey

Commissioner Diane Barrett

Commissioner Bob Cameron



REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL

*June 10, 2014
6:00 p.m.
Lake Lure Municipal Center*

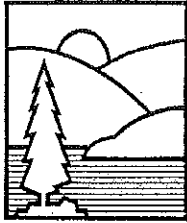
AGENDA

1. Call to Order Mayor
Bob Keith
2. Invocation Attorney
Chris Callahan
3. Approve the Agenda Council
4. Presentation of the Town Budget and Budget Message for Fiscal Year 2014-2015 Town Manager
Chris Braund
5. Public Hearing – Proposed Ordinance No. 14-06-10 Regarding the Town Budget for Fiscal Year 2014-2015
6. Consider Adoption of Ordinance No. 14-06-10 Regarding the Town Budget for Fiscal Year 2014-2015
7. Public Forum: *The public is invited to speak on any non-agenda and/or consent agenda topics. Comments should be limited to less than five minutes.*
8. Staff Reports
9. Council Liaison Reports & Comments
10. Consent Agenda:
 - a. Approve Minutes of the May 13, 2014 (Regular Meeting)
 - b. Direct the Planning Board to Study the Impacts of Distilling Establishments and Consider Drafting Potential Amendments to the Zoning Regulations

**Page 2 – Town Council Meeting Agenda
June 10, 2014**

- c. Approve Budget Amendments Regarding End of Fiscal Year Fund Over Runs and Silt Reserve Adjustments as Submitted by Finance Director Sam Karr
- 11. Unfinished Business
 - a. Other Unfinished Business
- 12. New Business:
 - a. Presentation on Town and Community Branding Valerie Hoffman
 - b. Consider Creating an Asset Management Task Force to Evaluate Town Assets (Land and Buildings) and Make Recommendations to Town Council on Suggested Uses or Conversion
 - c. Consider Approval of a Bid Award Recommendation from Harlow L. Brown, PE Concerning the Asa Gray/Luremont Waterline Replacement Project
 - d. Consider Calling Two Special Joint Meetings with the Zoning & Planning Board in July
- 13. Adjournment

Agenda Items: 4, 5, and 6



Incorporated 1927

TOWN OF LAKE LURE
Office of the Town Manager

TO: Mayor and Commissioners
FROM: Chris Braund
DATE: June 10, 2014
RE: Budget Message and Proposed Budget for Fiscal Year 2014-2015

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 2014-2015 commencing July 1, 2014 and ending June 30, 2015. Workshops were held with the Town Council on May 13th and June 3rd, during which the Council reviewed and provided feedback on the departmental operating budgets, the Capital Improvement Plans and expenditure requests. The priorities and revisions communicated by the Council are now reflected in this proposed budget. **In summary, the budget is balanced at a recommended tax rate of \$0.276 per \$100 of property value, a rate unchanged from last year.** The proposed budget transfers nearly \$300,000 from accumulated hydroelectric surpluses and the silt removal reserves in order to fund an increase in dredging expenditures this year.

This memorandum provides summaries and detailed discussion of the budgets for General Fund, Water/Sewer Fund and Electric Fund.

REVENUES

I. GENERAL FUND

Ad Valorem and Vehicle Taxes	\$2,327,797
State Shared Revenues & Grants	\$1,106,235
Installment Loans	\$82,350
Lake	\$277,500
Beach & Tours	\$83,000
Marina	\$95,500
Facilities Rentals	\$32,770
Miscellaneous Revenues	\$36,200
Land Use Fees	\$21,925
Admin. Charge from Water/Sewer Fund	\$10,000
Admin. Charge from Electric Fund	\$10,000
Transfer from Electric Fund Balance	\$100,000
Transfer from Silt Reserve Fund	\$190,000
Appropriated Fund Balance – General Fund (debt Service)	\$10,000

TOTAL GENERAL **\$4,383,277**

II. WATER/SEWER FUND

Water and Sewer	\$699,262
Appropriated Fund Balance	\$0

TOTAL WATER/SEWER **\$699,262**

III. ELECTRIC FUND

Electric Receipts	\$300,500
Appropriated from Fund Balance	\$46,013

TOTAL ELECTRIC **\$346,513**

TOTAL REVENUES – ALL FUNDS **\$5,429,052**

EXPENDITURES

I. GENERAL FUND

Operations

Public Safety	
Fire Department	\$693,323
Police	\$689,081
Administration, Finance & Technology	
Administration	\$651,985
Insurance/Bonding	\$132,500
Information Technology/Telecommunications	\$66,400
Governing Board	\$29,210
Public Works & Maintenance	
Public Works	\$331,708
Sanitation	\$208,400
Recreation	
Lake	\$187,986
Parks & Recreation	\$112,411
Golf Course	\$81,000
Beach & Marina	\$12,000
Community Enhancement	
Community Development	\$244,245
Economic Development	\$52,750

Contingency Reserve	\$21,093
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Capital Outlay and Debt Service

Capital Outlay & Projects	\$593,050
Transfer to Capital Reserve Fund	\$100,000
Debt Service (all general fund depts.)	\$176,135
Transfer to Water/Sewer	\$0
Transfer to Fund Equity	\$0

TOTAL GENERAL	\$4,383,277
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II. WATER/SEWER FUND

Sewer Operations	\$382,281
Water Operations	\$163,798
Capital Outlay	\$17,116
Debt Service	\$136,067
Transfer to Equity	\$0

TOTAL WATER/SEWER \$699,262

III. ELECTRIC FUND

Operations	\$187,513
Capital Outlay	\$109,000
Debt Service	\$0
Transfer to Silt Reserve	\$50,000
Transfer to Equity	\$0

TOTAL ELECTRIC \$346,513

TOTAL EXPENDITURES - ALL FUNDS \$5,429,052

FUND BALANCES

Our finance director has provided the following information regarding the fund balance or retained earnings for the town's three operating funds and three reserve funds:

Operating Funds	<u>June 30, 2013¹</u>	<u>June 30, 2014²</u>	<u>Budgeted Changes in FY 2014/15</u>
General Fund ³	\$1,695,581	\$1,079,835	NONE
Water/Sewer Fund ⁴	\$179,510	\$73,476	NONE
Electric Fund ⁴	\$897,466	\$1,003,195	- \$156,013

Reserve Funds

Bridge Preservation Fund ⁵	\$80,00	\$70,000	NONE
Silt Removal Fund	\$270,145	\$346,345	- \$140,000
Capital Reserve Fund	\$14,000	\$231,280	+ \$100,000

- Notes:**
- 1 - From Audit Report for FY2012-13
 - 2 - Estimates provided by finance director and based upon data available on May 30, 2014
 - 3 - General Fund amounts are fund balances
 - 4 - Water/Sewer Fund and Electric Fund represent cash & cash equivalents
 - 5 - The Bridge Preservation Fund was established with \$120,000 from the NCDOT for the long-term maintenance of the old bridge across the Rocky Broad river. \$50,000 has been advanced to the Flowering Bridge organization with the expectation that it will be repaid.

At the conclusion of the current budget year (FY13/14), the Town is projected to have nearly \$3 million in various reserve funds. All but the water-sewer fund are healthy. The water-sewer fund balance was reduced to cover the shortfall where fee revenues were less than operating expenses. A water rate increase planned in 2013 was not implemented by Town Council. Significant rainfall during the year enabled strong hydroelectric revenues and an increase in the electric fund balance.

In the 2014/15 budget, the planned transfers into or out of the reserve funds are:

- A \$110,000 withdrawal from the hydroelectric fund to be used for dredging operations
- A \$190,000 withdrawal from the silt removal reserve fund, to be used for dredging operations
- A \$46,013 withdrawal from the hydroelectric fund (from previous surpluses) to be used for capital improvements at the dam. This will not be necessary if generation revenues exceed our projection. Last year, we budgeted a \$100K withdrawal, but strong generation eliminated the need.
- A \$50,000 contribution into to the silt removal reserve fund from hydroelectric generation
- A \$100,000 contribution to the Capital Reserve Fund. 3 cents of the ad valorem tax revenues are dedicated to capital improvements and infrastructure projects, funded either in the current budget year, for future capital expenditures or for debt payments on infrastructure improvements.
- A \$10,000 withdrawal from the General Fund balance for the preparation of a Town Center Small Area Plan. This project was budgeted in 13/14, but not completed, so we are transferring the budget to the upcoming year.

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Budget Message**June 10, 2014****Page 7****BUDGET DISCUSSION**

As required by state law, the proposed town budget now before you is balanced. In comparison to last year, overall revenues and expenditures are projected to decrease by \$316,238 (5.5%). Operating costs have been reduced in several departments.

	Budget FY 13/14*	Budget FY 14/15	Difference	% Change
General Fund	\$4,451,858	\$4,383,277	-\$68,581	-1.5%
Water/Sewer Fund	\$748,988	\$699,262	-\$49,726	-6.6%
<u>Electric Fund</u>	<u>\$544,534</u>	<u>\$346,513</u>	<u>-\$198,021</u>	<u>-36.4%%</u>
Total	\$5,745,380	\$5,429,052	-\$316,328	-5.5%

*as amended by Town Council during the year. The most significant amendment was the use of \$275,000 of accumulated fund balance to purchase the former El Sureno property at Boys Camp Rd. and Memorial Hwy.

The chart on the next page shows the proposed General Fund budget by department and the comparison to FY13/14. For each department, the portion of the total property tax assessment is shown. Property tax revenues supplement any other fees or revenues received from external sources.

GENERAL FUND

Comparison of proposed budget with prior year

Function	FY 2014/2015			FY 2013/2014 Budget as of June 2014		
	Appropriation	Portion Funded By Property Tax	Tax Rate Equivalent	Appropriation	Portion Funded By Property Tax	Tax Rate Equivalent
Fire (2013 includes debt service)	\$739,977	\$729,852	8.7 cents	\$743,362	\$ 738,048.00	8.5 cents
Police	\$689,081	\$373,194	4.4 cents	\$686,759	\$ 383,174.00	4.46 cents
Administration	\$651,985	\$342,840	4.1 cents	\$671,468	\$ 364,132.00	4.24 cents
Transfer to Capital Reserve Fund	\$100,000	\$54,257	.7 cents	\$249,000	\$ 249,000.00	3 cents
Public Works	\$331,708	\$179,974	2.1 cents	\$283,381	\$ 158,411.00	1.85 cents
Community Development	\$244,245	\$120,691	1.4 cents	\$253,471	\$ 131,601.00	1.53 cents
Sanitation	\$208,400	\$106,167	1.3 cents	\$207,300	\$ 107,427.00	1.25 cents
Insurance/Bonding	\$132,500	\$71,890	.9 cents	\$143,650	\$ 80,301.00	0.94 cents
Debt Service (excludes fire)	\$129,481	\$64,826	.8 cents	\$104,595	\$ 51,593.00	0.6 cents
Golf	\$81,000	\$43,948	.5 cents	\$81,000	\$ 45,279.00	0.53 cents
Technology/Telecomm	\$66,400	\$36,026	.4 cents	\$65,700	\$ 36,727.00	0.43 cents
Capital Improvements/Special Projects	\$593,050	\$239,543	2.8 cents	\$351,457	\$ 30,134.00	0.35 cents
Contingency	\$21,093	\$11,328	.1 cents	\$50,000	\$ 27,950.00	0.33 cents
Economic Development	\$52,750	\$28,620	.3 cents	\$28,750	\$ 16,071.00	0.19 cents
Town Council	\$29,210	\$15,848	.2 cents	\$29,210	\$ 16,328.00	0.19 cents
Lake Operations	\$187,986	(\$47,482)	(.6 cents)	\$188,760	(\$19,629)	(.23 cents)
Parks & Rec (including Beach, Marina and Tours)	\$124,411	(\$43,725)	(.5 cents)	\$107,533	\$ (47,631.00)	(.55 cents)
Totals	\$4,383,277	\$2,327,797	27.6 cents	\$4,245,396	\$ 2,368,916.00	27.6 cents

This estimated budget for FY2014-15 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 \$0.276 this year, **although we project that this will yield \$38,000 less in tax revenues than last year.** On tax bills, citizens will see this in two component parts: a 18.9 cent rate for municipal services and an 8.7 cent rate for fire protection services. This should generate \$2,283,494 in tax revenue on real, personal and utility property, assuming a 93.63% collection rate on motor vehicles and a 98.18% collection rate on property other than motor vehicles. Real estate is valued at \$834,294,450 and motor vehicles are estimated to be \$12,500,000. Real estate valuations in Lake Lure decreased by \$9.4 million dollars, about 1%, principally due to adjustments resulting from appeals.
3. All fees and charges for town services have been reviewed and the budget assumes a 9% increase in water utility rates.
4. Fund Balances – this budget anticipates a \$10,000 withdrawal from the general fund balance, a rollover of a prior year budget for a Town Center planning project. The budget also includes a \$156,013 withdrawal from the hydroelectric fund to utilize prior year surpluses to fund capital improvements at the dam and for dredging operations. Additionally, \$190,000 will be withdrawn from the accumulated balance in the silt reserve fund to go toward dredging operations. The proposed budget also has a provision to transfer \$100,000 to the Capital Reserve Fund (from the 3 cents of tax earmarked for capital improvements).
5. Dredging - The proposed budget increases the expenditures on dredging and silt removal to \$400,000, up from the \$100,000 appropriated annually over the last 5 years. This is part of a 10-year commitment to this critical, high-priority task as recommended by the Lake Advisory Board. Since overall revenues have decreased this year, the Council has elected to fund this year's increase in dredging expenditures (an additional \$300,000) using accumulated balances in the Hydroelectric Fund and the Silt Reserve Fund (a fund intended to cover the costs of massive dredging operations after major flood events). It must be noted that the strategy of using accumulated fund surpluses is not sustainable year after year. To maintain this level of annual dredging investment, the Town must find additional revenues (through taxes, fees or growth in property values) or eliminate services and associated costs from the budget.
6. Increases in Operating Costs
 - Medical Insurance costs increased 3%
 - Utility costs have increased 9%
7. 57% of the General Fund operating budget goes to Police, Fire and Administration services, which is common among municipalities. These services are outlined below:
 - Service Area: With a permanent population of 1,200 and seasonal population estimated at 10,000, the Town of Lake Lure covers 14 square miles [*note: it is larger than the combined areas of Hendersonville, Flat Rock, Laurel Park and 1/3 of Fletcher.*] In the five surrounding counties, only Asheville and Mills River are larger in area than Lake Lure. We have over 2,000 housing units and 51 miles of public roads separated by an 800 acre lake. There is over \$845 million in property value within the town limits.

Budget Message

June 10, 2014

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- Police: To protect the Lake Lure area effectively and safely, we have 8 patrol officers, an administrative assistant and a Police Chief. We provide 24-hour coverage by 2 officers as a crime deterrent, to provide prompt response throughout our service area and as safety backup for an officer on duty. Although we receive some support from county services (sheriff and EMS), these agencies cover a much larger region and have not committed to providing the service levels desired by the Town.
 - Fire: To provide fire protection, medical and rescue services throughout the town, we maintain a Lake Lure department (with 6 staff) and contract with 3 volunteer departments. This level of coverage affords a Class 6 insurance rating that directly reduces the costs of homeowner's insurance for each structure in town by as much as 50%. The collective savings to homeowners far exceeds the total fire protection budget. The Lake Lure fire budget represents 8.7 cents per \$100 of property value. Elsewhere in the county, that cost ranges from 5 cents (Chimney Rock Village) to 18 cents (Forest City). Most common is 8 or 9 cents per \$100.
 - Administration: the following functions are provided by 6 individuals and outside contractors in the Administration budget: Executive Management, Financial Management & Audit, Town Clerk/Recordkeeping, Human Resources, Customer Service, Legal services, Communication/Public Relations services.
8. Water and sewer operations are tracked in their own enterprise fund. In the last few years, we have stabilized these operations and continued a program of minor repairs and improvements. Of most concern is sewer operations, where compliance issues and challenges with our old and undersized plant have dramatically increased our annual operating costs. A proposed 9% increase in water rates will enable water revenues to cover operating costs of the municipal water system. 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 are identified in the Comprehensive Plan as a needed strategy to support growth in key areas like schools, recreational and medical facilities. However, the water and sewer revenues aren't sufficient to fund these strategic investments in infrastructure. Several water and sewer projects are top priorities to be addressed using the Capital Reserve Fund and infrastructure loans.
9. Hydroelectric generation revenues in the Electric Fund are conservatively projected to be \$300,000. In addition to a \$50,000 contribution to the dredging/silt removal reserve fund, \$109,000 in plant improvements are budgeted as part of the multi-year capital improvement plan with over \$1 million in necessary maintenance and upgrades identified. In 2013/14, the plant generated over \$600,000 in revenues.
10. Golf Course – the golf course continues under the operation of the Lake Lure Golf Management, Inc., a family operation headed by Dale and Kathy Minick. The FY14/15 operating budget includes a \$75,000 subsidy to the course operator and \$6,000 for the maintenance of buildings. All other expenses, as well as revenues, profits or losses will be the responsibility of Lake Lure Golf Management. Course play and memberships continue to show a decline that matches overall industry trends. The Town has committed to this level of subsidy for another 2 years, at which time the subsidy will reduce to \$30,000 annually.
11. Parks & Rec: the proposed operating budget includes an additional part-time groundskeeper, \$5,000 for geese mitigation activities.
12. The costs associated with the lake operations department (staff, supplies, fuel, lake dredging, fish stocking, outside services, environmental management) are fully covered through boat permit fees, as well as a \$75,000 contribution to the dredging program.

13. Debt Service – the budget contains the following debt payments:

General Fund

- Telephone System (through 2015)	\$4,177
- Police Vehicles (through 2017)	\$29,490
- Marina Renovation (through 2022)	\$65,000
- Fire Engine (through 2023)	\$39,849
- Public Works Truck (through 2017)	\$15,563
- Interest on all loans	<u>\$22,056</u>
Total General Fund	\$176,135

Water and Sewer Fund

- Water Line Extension to Ingles (through 2026)	\$55,955
- Sewer Joint Wrapping Program (through 2029)	\$63,990
- Interest on all loans	<u>\$16,122</u>
Total Water and Sewer Fund	\$136,067

Total Debt Service \$312,202

Debt payments represent just 6.1% of our total budget.

14. Economic Development - the municipal budget includes a section dedicated to direct investments to support economic development and enhancement of the community. In FY 14/15, the following investments are programmed:

- \$24,000 for Communications. We utilize a contract specialist for all public information and citizen education, including the authoring and design of newsletters, brochures, press releases, the Town website, signage.
- \$10,000 for Community Branding. This is continue the implementation of the community branding and promotion recommended in the 2012 Market Study and Branding report, a joint initiative between Lake Lure and Chimney Rock Village. This will fund new signs, marketing and promotion materials.
- \$10,000 to support the Chamber of Commerce. The Chamber has been refocused, re-purposed and re-invigorated with a mission to facilitate economic development, business support and business recruitment. They have hired a dynamic executive director (Tommy Hartzog) and have increased membership, but they still require seed funding from community investors. With this investment, the Town is outsourcing some economic development activities and deliverables to the Chamber.
- \$8,750 to MAHEC / Lake Lure Professional Park. This is the second half of a \$17,500 contribution as a match for a grant that supports the construction of a new medical facility near Ingles. The Mountain Area Health Education Center (MAHEC) expects to begin operation in 2014.

Budget Message**June 10, 2014****Page 12**

15. The budget includes \$669,166 in capital investments or special projects considered to be essential priorities:

General Fund

- Silt Removal (regular maintenance dredging)	\$400,000
- Street Improvements (using state Powell Bill funds)	\$69,200
- Public Works - replacement truck/snowplow (funded by a loan)	\$48,350
- Police Cars replacement (funded by a loan)	\$34,350
- Technology Upgrades (desktops & servers)	\$15,000
- Town Center – Small Area Plan	\$10,000
- Parks & Rec – project TBD (beach aerators, walkway extensions)	\$10,000
- Police – vehicle camera & radar replacement (1)	\$6,500

Water & Sewer Fund

- Water System Improvements	\$17,116
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Hydroelectric Fund

- Replace flood gate chains	\$50,000
- Replace street lights on dam	\$25,000
- Rehab both butterfly valves	\$25,000
- Dam Inspection	\$9,000

Upcoming projects that will be funded from Capital Reserves over the next few years:

Water: replace galvanized pipes	\$150,000
Sewer Plant Improvements	\$160,000
Sewer: extend line to Point of View/Dam Marina	\$150,000

Unfunded items on the 5-year Capital Improvement Plan

Buffalo Creek Park: develop expanded trailhead parking	\$20,000
Replacement 4WD dump truck	\$76,000
Morse Park Pedestrian Bridge (loan plus private grant)	\$500,000 to \$1,000,000
Firing Range Remediation	\$250,000
Police car replacements	\$90,000
Maintenance vehicle replacements	\$90,000
Boardwalk replacement	\$100,000
Town Center walkway to Chimney Rock Village	\$160,000
Replace public docks at Pool Creek/ABC	\$40,000
Dam Overlook Park	\$250,000
Replace the Boat Permit Database	\$20,000
Town Center Improvements	TBD

16. Staffing: the budget assumes 1 additional part-time position in parks & rec (grounds maintenance). There are currently 33.5 full-time equivalent positions, down from a peak of 43.5 in 2008-2009 and below the level in 2002.

Budget Message

June 10, 2014

Page 13

17. Salaries & Benefits: A 1.7% cost-of-living salary adjustment (C.O.L.A.) is included in the budget. The budget maintains current levels of contribution to retirement and healthcare benefits, which include:

- NC state employees retirement fund premiums (defined benefit plan)
- a 401K contribution match of up to 5% of earnings for all full-time employees
- Employee healthcare insurance premiums
- NC state retirees healthcare insurance premiums

No other salary increases or bonus programs are accommodated in the balanced budget.

18. Vehicles & Watercraft – in the coming year, we will continue our practice of retiring and consolidating these assets to ensure the smallest and most efficient fleet required to provide needed town services. We will utilize loans and the Capital Reserve Fund to refurbish or replace needed assets at the end of their usable life.

19. Outsourcing: we will continue to seek opportunities for outsourcing, keeping employee headcount low by using public tax dollars to contract with the private sector to provide municipal services. We already contract for:

- garbage & recycling collection
- sewer treatment plant operation
- golf course operation
- beach and marina operation
- public information/town communications
- engineering
- legal
- financial audit

20. Contingency – this line item is used to cover unanticipated costs or needs during the year that were not appropriated elsewhere. Contingency funds are used only upon approval by the Town Council in a budget amendment. If unused at the end of the year, they can be appropriated for other purposes or returned to fund balance. In the FY14/15 budget, there is a contingency reserve of \$20,878, just 0.5% of the General Fund budget, and \$30,000 less than has been customary. Thus, a significant, unplanned expenditure will likely need to be covered from accumulated fund balance in the General Fund (balance is currently \$1,079,835)

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 municipal services currently provided and at the level expected by our residents, while ensuring that we are maintaining the assets we have and making significant strategic investments in the community.

I hereby request your formal adoption of the town budget for Fiscal Year 2014-2015.

xc: Sam Karr, Finance Director
Andi Calvert, Town Clerk
Department Heads

Agenda Item: 10a



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD MONDAY, MAY 13, 2014, 6:00 P.M. AT THE LAKE LURE MUNICIPAL
CENTER**

PRESENT: Mayor Bob Keith
Commissioner John W. Moore
Commissioner Mary Ann Silvey
Commissioner Bob Cameron
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 6:00 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 amended, adding discussion of a request from Garland Prewitt concerning lowering of the lake as item 14a. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous.

**PUBLIC HEARING - PROPOSED ORDINANCE NO. 14-05-13: AN ORDINANCE
AMENDING THE ZONING REGULATIONS CONCERNING NOTICES OF
VIOLATION; MODIFYING THE PROCEDURES FOR ISSUING AND APPEALING A
NOTICE OF VIOLATION**

Mayor Bob Keith opened the public hearing regarding proposed Ordinance No. 14-05-13 and invited citizens to speak during the public hearing. No one requested to speak.

Council agreed to close the public hearing.

**CONSIDER ADOPTION OF ORDINANCE NO. 14-05-13: AN ORDINANCE
AMENDING THE ZONING REGULATIONS CONCERNING NOTICES OF
VIOLATION; MODIFYING THE PROCEDURES FOR ISSUING AND APPEALING A
NOTICE OF VIOLATION**

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

Zoning Administrator Sheila Spicer gave an overview of proposed Ordinance No. 14-05-13.

After discussion, Commissioner Bob Cameron made a motion to adopt Ordinance No. 14-05-13 as presented. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

ORDINANCE NUMBER 14-05-13

**AN ORDINANCE CONCERNING NOTICES OF VIOLATION; MODIFYING THE
PROCEDURES FOR ISSUING AND APPEALING A NOTICE OF VIOLATION**

WHEREAS, § 92.999 of the Zoning Regulations of the Town of Lake Lure requires the Zoning Administrator to issue a Notice of Violation for failure to take prompt corrective action of a violation of the regulations; and

WHEREAS, Session Law 2013-126 has modified the requirements and procedures for the issuance and appeal of a decision of the Zoning Administrator outlined in N.C.G.S. § 160A-388; and

WHEREAS, § 92.999 of the Zoning Regulations of the Town of Lake Lure is now in conflict with the requirements and procedures outlined in N.C.G.S. § 160A-388; and

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WHEREAS, Town Council finds that this Ordinance is neither consistent nor inconsistent with the 2007-2027 Town of Lake Lure Comprehensive Plan; and

WHEREAS, Town Council further finds that enactment of this Ordinance is reasonable and in the public interest in that it ensures the Zoning Regulations of the Town of Lake Lure are consistent with the North Carolina General Statutes as they pertain to the requirements and procedures for the issuance of a Decision by the Zoning Administrator and any subsequent appeal of that Decision to the Board of Adjustment; and

WHEREAS, the Lake Lure Town Council, after due notice, conducted a public hearing on the 13th day of May, 2014 upon the question of amending the Zoning Regulations in this respect.

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:

SECTION ONE. This ordinance is enacted pursuant to the grants of authority contained in Section 160A-381 of the North Carolina General Statutes and North Carolina Session Law 2013-126.

SECTION TWO. Section 92.999 of the Zoning Regulations of the Town of Lake Lure, concerning Enforcement and Penalties, is hereby amended as follows:

§ 92.999 ENFORCEMENT AND PENALTIES

- (A) Enforcement Procedures. When the Administrator or his designee becomes aware of a violation of this Ordinance, it shall be his duty to notify the owner or occupant of the land, building, structure, sign, or use of the violation. The owner or occupant shall immediately remedy the violation.
- (B) Notice of Violation. If the owner or occupant of the land, building, structure, sign, or use in violation fails to take prompt corrective action, the Administrator or his designee shall give the owner or occupant written notice of violation (by ~~certified or registered mail to his last known address, by personal service~~ personal delivery, first class mail, and/or by posting notice conspicuously on the property) of the following:
 - (1) That the activity, land, building, structure, sign, or use is in violation of the Zoning Regulations;
 - (2) The nature of the violation, and citation of the Section(s) of this Chapter violated;

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- (3) The measures necessary to remedy the violation; and
- (4) Mechanisms available to appeal the decision of the Administrator.
- (5) Any commencement of land clearing or removal of vegetative growth in violation of § 92.119 of these Zoning Regulations without first receiving a land disturbance permit and providing an approved site plan, or in violation of § 92.120 of these regulations without first receiving a land disturbance authorization, as required by this chapter shall subject the property owner or the owner's agent to a civil fine not to exceed \$500.00 per day for each occurrence of such a violation. The fine shall be payable immediately upon notification and shall be assessed from the date of violation. Each day of a continuing violation shall constitute a separate violation. If, following the appropriate inspections, the illegal development is found to meet all requirements of this chapter, certificates of zoning compliance shall be issued upon payment of the fine and submittal of the appropriate documents including fees. If the development does not meet said requirements, the development shall either be returned as far as possible to its original state, or be brought into compliance prior to receipt of site plan approvals.

The removal of significant trees or native shrubbery with their stumps and roots, without an approved site plan, as required by this chapter, shall subject the property owner to fines of \$500.00 for each significant tree illegally removed and \$500.00 for each 100 sq. ft. of native shrubbery, with their stumps and roots, illegally removed. If the number of significant trees and/or extent of native shrubbery previously existing on the property is not known by means of an on-site inspection, fines shall be levied based on the canopy coverage observable from existing aerial photography of the area in question. In addition to these fines, illegally removed significant trees shall be replaced at the expense of the owner or the owner's agent as set forth in § 92.119.

- (C) Appeal. Any owner or occupant who has received a Notice of Violation may appeal in writing the decision of the Administrator or his designee to the Board of Adjustment ~~within fifteen days following the date of the Notice of Violation.~~ The Board of Adjustment (hereafter, "BOA") shall hear an appeal within a reasonable time, and it may affirm, modify, or revoke the Notice of Violation in accordance with §92.086 and §92.087 of these Zoning Regulations. In the absence of an appeal, the decision of the Administrator shall be final.
- (D) ~~Notice of Decision.~~ The decision of the BOA may be delivered to the aggrieved party either by personal service or by registered mail, certified mail return receipt requested, and by posting notice conspicuously on the property. Such Notice of Decision shall

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~~inform the recipient of the time frame within which compliance shall be required, and the remedies available to the Town as provided by State Law or by Section 92.998.~~

(~~E~~ D) Failure to comply with Notice of Violation or Decision of the Board of Adjustment. If the owner or occupant of a property fails to comply with a Notice of Violation from which no appeal has been taken, or a final decision by the BOA following an appeal, the owner or occupant shall be subject to such remedies and penalties as may be provided for by State law or by Section 92.998, above.

(~~F~~ E) Civil Penalties. Any person who violates any provision of this Chapter shall be subject to the assessment of a civil penalty in accordance with the provisions set forth herein.

(1) Responsible Parties. The owner or occupant of any land, building, structure, sign, use of land, or part thereof, and any architect, builder, contractor, agent, or other person, who participates or acts in concert, assists, directs, creates, or maintains any condition that is in violation of this Chapter may be held responsible for the violation and subject to the civil penalties and remedies provided herein and in Section 92.998.

(2) Issuance of Citations. No civil penalty shall be assessed under this Section until the person alleged to be in violation has been notified in accordance with paragraph (B), above. If after receiving a notice of violation the owner or other violator fails to correct the violation, a civil penalty shall be imposed in the form of a citation. Such citation shall substantially conform to the following:

(a) It shall be in writing;

(b) It shall be delivered by certified or registered mail to the last known address of the owner or occupant or such other person or by personal service or by posting conspicuously on the property;

(c) It shall state the civil penalty which is imposed upon the violator; and

(d) It shall direct the violator to pay the civil penalty within ten business days of the date of service of the citation.

(3) Payment of Civil Penalties. The schedule for civil penalties shall be set forth in a fee schedule maintained by the Town Clerk. For each day the violation is not corrected, the violator will be guilty of an additional and separate offense and subject to additional civil penalties. If the offender fails to pay any civil penalties within 30 days of service of a citation, the Town may recover such penalties in a

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civil action in the nature of debt. Assessment of civil penalties shall be stayed pending appeals taken to the Board of Adjustment.

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

SECTION THREE. In administering this Ordinance, the Town shall have all the remedies and enforcement powers contained in Article 13 of the Zoning Regulations, as supplemented herein, and as provided by the General Statutes.

SECTION FOUR. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION FIVE. If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof

SECTION FIVE. The enactment of this ordinance shall in no way affect the running of any amortization provisions or enforcement actions, or otherwise cure any existing zoning violations.

SECTION SIX. This ordinance shall be in full force and effect from and after its enactment.

Adopted this 13th day of May, 2014.

PUBLIC HEARING - PROPOSED ORDINANCE NO. 14-05-13A: AN ORDINANCE AMENDING THE ZONING REGULATIONS CONCERNING SIGNS OF A GOVERNMENTAL BODY

Mayor Bob Keith opened the public hearing regarding proposed Ordinance No.14-05-13A and invited citizens to speak during the public hearing. No one requested to speak.

Council agreed to close the public hearing.

CONSIDER ADOPTION OF ORDINANCE NO. 14-05-13A: AN ORDINANCE AMENDING THE ZONING REGULATIONS CONCERNING SIGNS OF A GOVERNMENTAL BODY
--

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

Community Development Director Shannon Baldwin gave an overview of proposed Ordinance No.14-05-13A.

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After discussion, Commissioner Diane Barrett made a motion to adopt Ordinance No. 14-05-13A as presented. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

ORDINANCE NUMBER 14-05-13A

**AN ORDINANCE AMENDING THE ZONING REGULATIONS CONCERNING SIGNS
OF A GOVERNMENTAL BODY**

WHEREAS, the Zoning and Planning Board has recommended modifications to the Zoning Regulations of the Town of Lake Lure as noted in the title of this ordinance; and

WHEREAS, Town Council finds that this Ordinance is neither consistent nor inconsistent with the 2007-2027 Town of Lake Lure Comprehensive Plan; and

WHEREAS, the Lake Lure Town Council, after due notice, conducted a public hearing on the 13th day of May, 2014, upon the question of amending the Zoning Regulations in this respect.

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:

SECTION ONE. Section 92.154 of the Zoning Regulations of the Town of Lake Lure, entitled "Signs Exempt from Regulations", is hereby amended in subsection (B) as follows:

- (B) Signs of a governmental body, including traffic warning or regulatory signs and devices. These signs shall also include other governmental signs including building identification, directional, information, and welcome signs. Signs of a governmental body other than the Town of Lake Lure require Town Council approval unless otherwise exempted by federal or state law.

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

SECTION TWO. Any person violating the provisions of this ordinance shall be subject to the penalties set forth in Section 92.999 of the Zoning Regulations.

SECTION THREE. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION FOUR. If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent

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jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

SECTION FIVE. The enactment of this ordinance shall in no way affect the running of any amortization provisions or enforcement actions, or otherwise cure any existing zoning violations.

SECTION SIX. This ordinance shall be in full force and effect from and after the date of its adoption.

Enacted this 13th day of May, 2014.

PUBLIC FORUM

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

No one requested to speak.

STAFF REPORTS

Town Manager Chris Braund presented the town manager's report dated May 13, 2014. (Copy of the town manager's report is attached.)

COUNCIL LIAISON REPORTS & COMMENTS

Commissioner Diane Barrett reported the activities of the Parks and Recreation Board and announced that the Lake Lure Classical Academy will be holding their 5K Toga Run in Morse Park on Saturday, May 17.

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

Commissioner Mary Ann Silvey reported the activities of the Lake Lure Classical Academy School Board, Lake Lure ABC Board and the Lake Advisory Board.

Commissioner Bob Cameron reported the activities of the Lake Lure Board of Adjustment/Lake Structures Appeal Board and announced that the next Lake Structure Appeals meeting will be held at noon on May 27, 2014 due to the large number of cases.

CONSENT AGENDA

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

Commissioner Diane Barrett made a motion to approve the consent agenda as presented. Commissioner John Moore 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 April 8, 2014 Meeting; and
- b. a request submitted by Rose Ann Gant to suspend the alcohol ordinance for a brunch being held in the community hall June 7, 2014 between 11:00 a.m. and 2:30 p.m. to allow serving of beer and wine at the event.

End of Consent Agenda.

UNFINISHED BUSINESS:

a. OTHER UNFINISHED BUSINESS

There was no other unfinished business.

NEW BUSINESS:

**a. CONSIDER A REQUEST FROM GARLAND PREWITT CONCERNING
LOWERING OF THE LAKE**

Garland Prewitt, owner of property at 179 Tryon Bay Circle, introduced himself and commended creators of the Flowering Bridge stating that there were about 60 people at the bridge when he drove into town.

Mr. Prewitt explained that he presented a request to the Lake Advisory Board at their last meeting asking them to recommend that the lake to be lowered early this year to allow his contactor to do work on his property that was affected by a land slide last year and he has been trying to get the project completed for months, but has been delayed multiple times. However, Mr. Prewitt has since been informed that the work can be completed while the lake is up at an increased cost of approximately \$3,000 to \$5,000. Mr. Prewitt suggested that the town consider contributing funds toward the increased cost since he has been trying to get the project completed for months, including off-peak lake season when the lake potentially could have been lowered.

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Council members asked Mr. Prewitt to explain what caused the delays and asked if he has been delayed because of inaction of the town.

Town Attorney Chris Callahan stated that he doesn't think that the town can use public funds to solve private shoreline problems.

Since Mr. Prewitt was reluctant to name specific problems during public forum, Mayor Bob Keith asked him to create a report for council to review so that if there was a problem in the town's our system, the report could assist in preventing it from happening again.

NEW BUSINESS:

a. CONSIDER APPROVAL OF AN UPDATE TO THE TOWN'S PARKS, RECREATION, TRAILS, AND OPEN SPACE PLAN AS RECOMMENDED BY THE PARKS & RECREATION BOARD

Council members reviewed potential changes to the town's Parks, Recreation, Trails, and Open Space Plan recommended by the Parks & Recreation Board. Commissioner Diane made a motion to approve the changes as presented. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous. (Copy of the updated Parks, Recreation, Trails, and Open Space Plan attached.)

NEW BUSINESS:

b. CONSIDER A REQUEST FOR ADOPTION OF ORDINANCE NO. 14-05-13B TO DEMOLISH AND REMOVE THE DILAPIDATED DWELLING AND STRUCTURE AT 289 MARINA DRIVE (RUTHERFORD COUNTY TAX PIN: 1649205 AND 1649851), CASE # ASUD-2012001

Zoning Administrator Sheila Spicer gave an overview of proposed Ordinance No. 14-05-13B and Attorney Chris Callahan explained the process outlined by the proposed ordinance.

Council members discussed the presented Ordinance and Commissioner Bob Cameron made a motion to adopt Ordinance No. 14-05-13B as presented. Commissioner John Moore seconded the motion and the vote of approval was unanimous.

ORDINANCE NO. 14-05-13B DIRECTING THE CODE ENFORCEMENT OFFICER TO REMOVE OR DEMOLISH THE PROPERTY HEREIN DESCRIBED AS UNFIT FOR HUMAN

**HABITATION AND DIRECTING THAT A NOTICE BE PLACED
THEREON THAT THE SAME MAY NOT BE OCCUPIED
FILE NO. ASUD-2012001**

WHEREAS, the Town Council of the Town of Lake Lure finds that the structures described herein are unfit for human habitation under the Town Abandoned Structures/Unfit Dwellings Regulations and that all of the procedures of the Abandoned Structures Code have been complied with; and

WHEREAS, these structures should be removed or demolished as directed by the Code Enforcement Officer and should be placarded by placing thereon a notice prohibiting use for human habitation; and

WHEREAS, the owner of these structures has been given a reasonable opportunity to bring the structure up to the standards of the Abandoned Structures/Unfit Dwellings Regulations in accordance with NCGS 160A-443(5) pursuant to an order issued by the Code Enforcement Officer on April 1, 2013, and the owner has failed to comply with the Order; and,

WHEREAS, the owner of these structures has failed to comply with an agreement signed by the owner and the Town that extended the compliance deadline stipulated in the Order to December 1, 2013.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Lake Lure, that:

Section 1. The owner of such building(s), dwelling(s) and premises is hereby ordered to vacate any occupants and/or personal property therein on or before June 13, 2014.

Section 2. The Code Enforcement Officer is hereby authorized and directed to place placards containing the legend:

"This building is unfit for human habitation. The use or occupation of this building for human habitation is prohibited and unlawful."

on the structures located at the following address:

289 Marina Drive (Rutherford County Tax ID #: 1649205 and 1649851)

Section 3. The Code Enforcement Officer is hereby authorized and directed to proceed to remove or demolish the above described structures in accordance with the order to the owner thereof dated the 1st day of April 2013, and in accordance with the Abandoned Structures/Unfit Dwellings Regulations and NCGS 160A-443.

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Section 4. (a) The cost of removal or demolition shall constitute a lien against the real property upon which the cost was incurred. The lien shall be filed in the office of the County Tax Collector, and shall have the same priority and be collected in the same manner as the lien for special assessments in Article 10 of N.C.G.S. Chapter 160A.

(b) Upon completion of the required removal or demolition, the Code Enforcement Officer shall sell the materials of the dwelling and credit the proceeds against the cost of removal or demolition. The Code Enforcement Officer shall certify the remaining balance to the Tax Collector. If a surplus remains after the sale of the materials and satisfaction of the cost of removal or demolition, the Code Enforcement Officer shall deposit the surplus in the Superior Court where it shall be secured and disbursed in the manner provided by N.C.G.S. 160A-443(6).

Section 5. It shall be unlawful for any person to remove or cause to be removed the placard from any building to which it is affixed. It shall likewise be unlawful for any person to occupy or to permit the occupancy of any building therein declared to be unfit for human habitation.

Section 6. This Ordinance shall become effective upon its adoption.

ADOPTED this 13th day of May, 2014.

ADJOURN THE MEETING

With no further items of discussion, Commissioner Bob Cameron made a motion to adjourn the meeting at 8:35 p.m. Commissioner John Moore seconded the motion and the vote of approval was unanimous.

ATTEST:

Andrea H. Calvert
Town Clerk

Mayor Bob Keith

Agenda Item: 10b



TOWN OF LAKE LURE *Community Development Department*

MEMORANDUM

TO: Mayor & Town Council

FROM: Shannon Baldwin, Community Development Director

DATE: June 4, 2014

RE: Craft Distilling Establishments Study & Recommendations

The Lake Lure – Chimney Rock economy is primarily driven by tourism as pointed out by the Arnett Muldrow Market Study. It is comprised of locally owned businesses operating in buildings of a size and scale appropriate to a small town. (Big box style structures, existing and proposed, in NC 9 commercial corridor are exceptions.) Most of these small businesses have a workforce comprised of the business owners themselves and workers from the local area. As our Market Study points out, our access to numerous local restaurants and shops is the result the tourist-centric economy. Without the tourists, the residents could not enjoy the businesses they currently have. A major goal of the Town is to afford residents excellent opportunities in the community as entrepreneurs, with the prospect of additional sustained growth as the State Park expands.

Breweries, wineries, and distilleries are now not only a part of the tourism based economy of Western North Carolina but also add to the quality of life for residents where they operate. The number of entrepreneurs opening craft breweries and distilleries in the region is increasing. Asheville, Black Mountain, and Hendersonville are a few of the locations where these types of business are flourishing. These businesses serve both the residents and visitors. Lake Lure has even had some experience in this area. There was once a microbrewery operation in the space that is now El Lago in the Arcade. However, the Town of Lake Lure Zoning Regulations do not specifically include distilleries, wineries, or breweries as allowable uses in any commercial district. In short, the Town of Lake Lure should consider amending the Zoning Regulations to create space in Lake Lure for these emerging craft industries to support the Town's desire to become more business friendly and facilitate additional economic opportunity. Perhaps the concept of a tasting room in Chimney Rock Village or the Town of Lake Lure that has a combination of regional beers, regional spirits (Defiant Whiskey, Cardinal Gin) and regional wines (Burnt Shirt and several Polk County wineries) has come.

The Community Development Department respectfully requests that Town Council commission the Zoning and Planning Board to study Craft Distilling Establishments and send a recommendation on necessary changes that will address these establishments in the Zoning Regulations. We will share the results with Chimney Rock Village to ensure we coordinate our efforts where possible.

Agenda Item: 10c

MEMORANDUM

To: Town Council
From: Sam A. Karr, Finance Director *SAK*
Subject: Budget Amendments-Overruns and Silt Reserve Adjustments
Date: June 4, 2014

As we are winding down this fiscal year we need to clean up and address some over runs in the budget:

- The Public Works Department has experienced unanticipated major repairs to their vehicles and equipment, and incurred additional lighting expenses. To cover this over run, we would need to **transfer \$22,000 from Non-Gov't (\$15,000 unemployment (#130) and \$7,000 Ins. (#450) to PW Dept.**
- Brown Consultants were contracted for waterline replacement on Washburn Road/Luremont section for \$18,700. **A transfer to move \$7,220.000 from Capital Reserve into Water/Sewer Line Improvements (#519) capital outlay.** Balance will be moved next year.
- As we noticed our hydro-electric income increasing, we have tried to turn excess revenues into repairs at the plant. To cover operational cost, **we would like to increase revenues by \$20,000 to \$564,534 and increase expenses to \$20,000. This would cover Large Generator Bearing work and Fence installation which was completed earlier this year.**
- Part of the collections we received from ABC money is earmarked to be spent for Drug and Alcohol Education. We used **\$1,824 this past year and need to transfer that amount into the Police Dept. (#220) from ABC fund**
- The last item to account for the is balance left over for silt monies. As you are all aware, the town's policy is to try to transfer unused portion of operating silt monies to our Silt Removal Reserve Fund, if operating funds can support it. A motion to move \$18,000 from General Fund Silt removal line item (#697) into the town's Reserve for Silt Removal Fund is desired. This transfer would bring the balance of the silt reserve fund at \$336,345 at June 30th.

XC: Chris Braund, Town manager
Thadd Hodge, Account
Sean Humphries, Police Chief
Dean Givens, Lake Op's Dir.

MEMORANDUM

To: Town Council
From: Sam A. Karr, Finance Director *SAK*
Subject: Budget Amendment-Public Works & Police Capital
Date: June 9, 2014

The late rush of the fiscal year has incurred another budget amendment. Equipping both police vehicles and public works tractor has caused our capital budget line items to over spend. This was expected, because we wanted to get credit for the equipment we sold (we ended up selling two old police vehicles and two pieces of equipment from public works) and at the same time, try to keep the budget request as low as possible.

The good news is that we sold all of the items for more than we needed; both old police vehicles sold for \$5,700 (we need \$5,531) and surplus public works equipment (sickle bar & paint sprayer) sold for \$9,580.00 (we need \$7,721).

If this acceptable, a **motion to increase Sale of Fixed Assets (#10-383500) budget by \$ 13,252 and increase Capital Outlay Police Vehicle (#541) by \$5,700 and Public Works Tractor (#546) by \$ 7,721** is required.

XC: Chris Braund, Town Manager
Thadd Hodge, Accountant
Sean Humphries, Acting Police Chief
Tony Hennessee, Public Works Director
Files



Town of

Lake Lure

est. 1927

North Carolina

MEMORANDUM

To: Town Council
From: Sam A. Karr, Finance Director *sak*
Date: June 10, 2014
Subject: Budget Amendment-Water/Sewer Revenues

As you all know, during last year's budget sessions we had balanced the Water/Sewer Fund by increasing water rates. However, it was never formally approved and we will experience a loss in the fund if we do not recognize the revenue difference. To off set the lack of additional revenues, a motion to **transfer \$12,000 from Water/Sewer Fund equity as a revenue source** to help make up for the loss of not increasing rates would be required.

Let us know if you have any questions.

cc: Chris Braund, Town Manager
Thadd Hodge, Accountant

Agenda Item: 12a

Moving the Brand Forward:

Across the two Communities

- In concert with the Chamber, build up the **new cross-community communications committee**. Major objectives:
 - ✓ Prioritize projects from year to year
 - ✓ Foster a sense of inclusiveness and greater understanding of our brand values and key strengths in both communities
 - ✓ Monitor effective use of the brand
 - ✓ Pro-actively look for new ways to extend the brand
- Support the New “**Made Fresh-Made Local**” **Guest Services Campaign** – This gets to the heart of living the brand in and through our people!
- Along with the Chamber, provide support resources to the new **online information clearinghouse website** that will become the ‘go to’ site for all things relevant and timely to residents and visitors - This will ideally emerge as another strong extension of communicating our lifestyle and brand values
- Along with the Chamber, continue to support the major community festivals in implementing the brand
- Continue to work collaboratively with Chimney Rock Village Community Development Association & the CRV Municipality in implementing the brand there.

Moving the Brand Forward, Cont'd

Through Printed & Online Communications

- Produce a comprehensive “**Guide Enjoying Lake Lure**,” along with a companion piece lake map featuring lakefront businesses and key points of interest – A major recommendation from the Arnett-Muldrow Study
- Produce a “**Guide to Lake Lure Area Parks**” – a sister communications tool to the Guide to Enjoying Lake Lure.”
- Working collaboratively with the Chamber, produce printed and online materials for “**Doing Business in Lake Lure**”
- Town Hall Connect – Online & printed one-page informational sheets on a variety of topics
- Produce **special topic communication pieces** to educate and inform citizens regarding the challenges and opportunities associated with certain issues facing the community

Signage & Additional Banners

- Continue to eliminate excessive sign clutter and messaging that isn't consistent with the brand. Numerous signs have been removed from the beach and boardwalk already
- Continue to replace or create signage that reflects more effective messaging and new graphics
 - ✓ The Beach and Water Park
 - ✓ Washburn Marina

Moving the Brand Forward, Cont'd

Signage & Banners

- ✓ Town Hall - New Banners & New Town Seal
- ✓ Buffalo Creek Park, permanent signage
- ✓ Donald Ross Nature Trail
- ✓ Welcoming signs on Boys Camp Road for the climbing and bouldering community
- In the Community, we're working with the Chamber collaboratively to learning about NC DOT sign regulations on Scenic Byways and exploring various types of welcoming and gateway signage for the Gorge

Town Uniforms & Vehicle Identity System

- Start with Public Works & Lake Operations
- Magnet Decals for town vehicles

Additional Promotional Materials

- Encourage local merchants to brand some of their merchandise – clothing, hats & outdoor gear
- Limited items through the town with a focus on outdoor recreation, the arts and small town hospitality.

Agenda Item: 12b



Office of the Town Manager

TO: Mayor and Commissioners

FROM: Chris Braund *CB*

DATE: June 6, 2014

RE: Recommendation for a Town Asset Management Task Force

Following a number of conversations with Town and citizen leaders, I'm requesting that the Town Council establish a task force that will assess the inventory of town-owned assets (primarily land and buildings) in light of our long-term objectives and needs. This group may recommend alternative uses for some of these properties, including sale, lease or conversion to different town uses. Their work may require coordination with existing advisory boards like Zoning & Planning, Parks & Recreation and Lake Advisory.

I recommend the Council appoint individuals with an interest in this topic and a variety of experiences—in real estate, commercial development, urban planning, etc. Having one or two commissioners involved would be useful as well.

At this point, we can establish this as Task Force with an indefinite roster, timeframe and terms. If we see continuing value from this group, we can always establish a more formal advisory board.

Thanks –

Agenda Item: 12c

Andi Calvert

From: Lake Lure Town Manager [townmgr@townoflakelure.com]
Sent: Tuesday, May 27, 2014 12:45 PM
To: 'John Moore'
Cc: 'Andi Calvert '
Subject: FW: Award recommendation - Asa Gray Waterline Replacement
Attachments: Memorandum of Bid Award Recommendation -Lake Lure - BID results - 5-27-2014.pdf

John: see Harlow's recommendation (attached) on the Luremont / Asa Gray water project. Tony concurs with this.

We'll put it on the council's agenda for June 10th to award the bid and fund the project on June 10th.

Thanks –

From: Harlow Brown [mailto:harlow@brownpa.net]
Sent: Tuesday, May 27, 2014 11:31 AM
To: 'Lake Lure Town Manager'
Cc: publicworks@townoflakelure.com; 'Jeffrey T Brown'; 'Corey Knox'
Subject: Award recommendation - Asa Gray Waterline Replacement

<<...>>

Chris.....

Attached is recommendation to award ref. project as we discussed last week

I had telephone conversation with Tony this morning and he is in agreement with this award recommendation

Let me know if more information is needed

I will be glad to attend any meetings on this if needed

Harlow

Harlow L. Brown, PE

Brown Consultants PA

30 Ben Lippen School Road

Asheville, NC 28806

office 828-350-7683

cell 828-545-7779



May 27, 2014

Memorandum of Bid Award Recommendation

To: Chris Braund, Manager
Town of Lake Lure

From: Harlow L. Brown, PE

Cc: Tony Hennessee
Public Works Director

Re: **Bid Award Recommendation**
Town of Lake Lure, Rutherford County, NC
ASA Gray Luremont Waterline Replacement Project



The bidding process was performed in accordance with NC Public Contracting Statutes. An advertisement for bids was placed in The Daily Courier, Forest City, NC, on January 31, 2014, the same paper Lake Lure uses for their legal advertisements. Two (2) sets of contract documents were issued to contractors.

Bids were taken on April 15, 2014 @ 1:00 pm, Lake Lure Town Hall, publicly opened and read aloud. Two (2) bids were submitted as follows; listed from lowest to highest:

- | | |
|---|--------------|
| 1. McCall Brothers, Shelby, NC | \$250,120.00 |
| 2. Steppe Construction, Mill Spring, NC | \$226,750.00 |

There were no informalities in the bids submitted. All bidders are qualified to perform the work.

The Bids received were more than twice the Project Budget, we recommended the Town reject all bids, re-evaluate the project and re-bid. The two bidders were informed in writing that their bids were rejected by the Town.

The project was then divided into two components, (1) Waterline Replacement and (2) Chlorine Feed System.

Since the project total for the Waterline Replacement was below \$300,000, NC Public Contracting Statutes allow for "Informal" bidding procedures, which mean that contractors can be invited to bid, with three (3) bids necessary to award the work. Five

(5) contractors, all holding NC Utility Licenses, were invited to bid, and four (4) bids were received on May 15, 2014 @ 5:00 PM as follows (listed from lowest to highest):

1. Steppe Construction, Mill Spring, NC	\$117,950.
2. Gosnell Construction, Etowah, NC	\$141,350.
3. Patton Construction, Asheville, NC	\$150,279.
4. Double R. Utilities, Shelby, NC	\$156,473.

Since the Chlorine Feed System cost would be less than \$30,000, NC Public Contracting Statutes allow the local government to obtain one (1) informal proposal. Byers Environmental Inc., the Town's WWTP Contract Operator was asked to submit a proposal. Byers' proposal is:

1. Byers Environmental Inc.	\$7,579.
New Total Project Cost	\$125,529.
Rebidding reduced the Total Project Cost	\$124,591.

We recommend Town Council awarding the Waterline Replacement to Steppe Construction in the amount of \$117,950.

The Chlorine Feed System is less than \$30,000 and can be awarded by the Town Manager. We recommend this award to Byers Environmental Inc in the amount of \$7,579.

The Waterline Replacement Bid Tabulation and Byers Environmental Inc. proposal is attached to this Memorandum.

If you have any questions, or need any further information, please do not hesitate to contact me.

BID TABULATION SHEET

Project # : 13039

PROJECT: Lake Lure Asa Gray Luremont Waterline Replacement Project

BID DATE: 5:00 P.M. May 15, 2014 to Harlow Brown

Item	Description	Steppe Construction				Gosnell Construction & Utility Co Inc.		Patton Construction Group Inc.		Double R Utilities Inc	
Line "A" (Asa Gray Waterline)		Quantity	1st Bid	Unit Cost		Unit Cost		Unit Cost		Unit Cost	
1	Mobilization	1	6500	\$ 2,000.00		\$3,000.00		\$3,450.00		\$5,000.00	
2	Tie to Ex. System - Fittings as Required	2	2500	\$ 2,300.00		\$2,750.00		\$4,560.00		\$1,158.76	
3	New 4" C900 PVC Waterline - Install in Old Road Bed	1800	46	\$ 16.00		\$20.00		\$23.00		\$17.40	
4	New 2" SDR 13.5 PVC Waterline	500	21	\$ 19.00		\$20.00		\$18.00		\$13.75	
5	5/4" Valves	2		\$ 800.00		\$850.00		\$855.00		\$1,021.64	
6	6/2" Valves	2		\$ 600.00		\$600.00		\$716.00		\$91.40	
Subtotal								\$57,400.00		\$66,112.00	
Line "B" (Luremont Waterline)											
7	New 4" C900 PVC Water Line	1600	39.5	\$ 22.25		\$22.00		\$23.00		\$27.40	
8	Tie to ex. 2" Lines	3		\$ 2,500.00		\$2,750.00		\$1,823.00		\$1,716.00	
9	4" Valves	2		\$ 800.00		\$850.00		\$855.00		\$1,021.64	
10	2" Valves	3		\$ 600.00		\$600.00		\$716.00		\$910.40	
11	Service Connection	5	1200	\$ 700.00		\$900.00		\$1,500.00		\$1,218.53	
12	Compacted ABC Stone	500	16	\$ 1.00		\$25.00		\$2,700.00		\$39.17	
13	Asphalt Road Repair	50	325	\$ 325.00		\$300.00		\$212.00		\$472.36	
14	Grassing and Clean - up Project wide	1		\$ 3,500.00		\$5,000.00		\$6,440.00		\$4,040.00	
Subtotal								\$83,950.00		\$84,167.00	
Total Project Bid								\$141,350.00		\$150,279.00	
Alternate Bids											
15	New 4 " DIP Waterline (Item 3 Above)	1800		\$ 19.40		\$30.00		\$36.00		\$31.44	
16	Allowance for Trench Rock Removal	100		\$ 125.00		\$125.00		\$125.00		\$125.00	
Byers Environmental/Quote for Sodium Hypochlorite Feed System						\$7,579.38					



Mr. Harlow Brown
Brown Consultants, PA

18 May, 2014

Dear Mr. Brown,

Per our conversation in the meeting at the Lake Lure Town Hall regarding a quote for the purchase and installation of a sodium hypochlorite feed system at the Vess Well site in Lake Lure, Byers environmental is pleased to provide the following:

1. Purchase and provide all pumps, controls, tanks, and construct pump wall mount rack required for a complete functional feed system
2. Provide and install conduit, wire, tubing, pipe, fittings, and fasteners required for a complete functional feed system
3. Provide installation, programming, and startup

The total quote for Byers Environmental to provide the above is \$7579.38.

Let me know if you have questions or need further information.

Sincerely,

Donald G. Byers

Byers Environmental, Inc.

Lake Lure

Sodium Hypochlorite Feed System - Vess Well

Byers Environmental Inc

Installation Quote May 2014

Item #	Description	# Req'd	Cost Ea.	Cost
1	Feed Pumps 250 PSI, 5 GPD	2	\$ 1,193.44	\$ 2,386.88
2	Tank, Snyder 35 GAL	1	\$ 670.00	\$ 670.00
3	Wall Mount Pump Stand	1	\$ 418.75	\$ 418.75
4	Injection Tap	1	\$ 251.25	\$ 251.25
5	Conduit, Wire, Tubing, Fittings & Fasteners	1	\$ 502.50	\$ 502.50
6	Installation, programming & Startup	1	\$ 3,350.00	\$ 3,350.00
Total Cost			\$	7,579.38

Agenda Item: 12d



TOWN OF LAKE LURE
Community Development Department

MEMORANDUM

TO: Mayor & Town Council
Planning Board

FROM: Shannon Baldwin, Community Development Director

DATE: June 5, 2014

RE: LLCA Plans Review & Approval Schedule

The Community Development Department respectfully requests that Town Council and the Planning Board call special meetings to review the Lake Lure Classical Academy construction plans. Two joint meetings are recommended as follows:

- July 8th, **4:00 pm – 5:00 pm**, Special Called Joint Meeting of the Town Council and Planning Board (allows Council a break before the regular meeting at 6:00 pm)
- July 15th, **9:30 am – 10:30 am**, Special Meeting Called Meeting of the Town Council with the Planning Board (This is a Planning Board regular meeting)

The following explanations/justification was given in an email for these special meetings. This email was sent to you June 5th. Here it is once again:

Shannon

1) The school design process has been underway for several years. The school board and facilities committee has worked with architects, engineers, contractors, school staff, parents, and town staff to refine the designs to meet school needs, reduce costs, and meet Town requirements and goals. This continues to be an iterative process of refinement.

2) The plans are on track to be completed and delivered to the Town by June 17th (construction drawings, site plans, engineering drawings, landscape designs, etc.)

3) We have also been working for over a year with our bond underwriter to prepare the financing package. We are targeting for an August closing and groundbreaking

4) This is a very tight schedule. If we can break ground in August, we will have one year to construct the school before the 2015/2016 school year begins (grades K-12)

5) We have just the weeks between now and August to finalize the school plans, secure approvals and permits from the Town, and finalize the cost of the school via a GMP contract (Guaranteed Maximum Price) with the general contractor.

Please keep in mind that we are building a school for \$7 million that would cost most traditional

school systems \$20-\$30 million.

6) The Town's normal permit approval process requires three months to take the plans through the Development Review Committee, Zoning and Planning Board, and the Town Council. This time includes considerable days and weeks between meetings with minimal activity. In order to get to a ground breaking near the start of the upcoming 2014/2015 school year, we respectfully propose an innovative, expedited schedule that can produce Town approvals and permits by July 17th. Rather than sequencing the reviews across several board meetings and several months, we propose consolidating the reviews of the entire school plan into two joint meetings between the Z&P Board and the Town Council. The first joint meeting would provide an opportunity for the school to introduce the plans to both the Town Council and the Z&P Board with DRC comments. The second joint meeting between the Z&P Board and the Town Council would provide an opportunity for reviewing any revisions resulting from the first joint meeting and final provide an opportunity for final questions and comments. We feel this approach is advantageous to all, given the public nature of this project and the Government Use zoning district for which it is located within.

7) This proposed process should not introduce any additional risk to the Town, nor jeopardize the quality of the review, as it does not compress the review time by staff and town engineers. Rather it gets everyone together for two joint meetings on July 8th and July 15th for review and commenting. With everyone together in a single room, we can improve the dialogue and communication between the Z&P Board, Town Council, and the school's design/construction team.

Regards - Russ

