



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD MONDAY, AUGUST 12, 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 incorporating the following changes:

- remove item 10j under new business, discussion concerning potential cost related to flashers at crosswalks. This item was added to the agenda in error.
- remove item 8d, adoption of Resolution No. 14-08-12A, from the consent agenda and add consideration of adoption of the resolution under new business for discussion as item k

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- add discussion concerning sending another letter to the Rutherford County Board of Elections asking them to consider allowing voting at town hall
- move item 10i under new business up on the agenda to be discussed as the first item under new business (before 10a)

Commissioner John Moore seconded the motion and the vote of approval was unanimous.

PUBLIC FORUM

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

Francine Nordt of 156 Hilltop Court presented four additional signatures to add to the petition she submitted during the July 8, 2014 town council meeting that outlined safety concerns on Boys Camp Road. Ms. Nordt asked for an update on the status of her request for improvements on Boys Camp Road. Town Manager Chris Braund informed Ms. Nordt that he included an update on her request in his staff report that will be presented later in the meeting.

STAFF REPORTS

Town Manager Chris Braund presented the town manager's report dated August 12, 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.

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

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

Commissioner Bob Cameron reported the activities of the Lake Lure Board of Adjustment/Lake Structures Appeal Board.

CONSENT AGENDA

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

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Commissioner Bob Cameron made a motion to approve the consent agenda as amended. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous. Therefore, the consent agenda incorporating the following item was unanimously approved and adopted:

- a. minutes of the July 15, 2014 regular meeting and the July 8, 2014 special meeting;
- b. Resolution No. 14-08-12C authorizing execution of an application for a technical assistance grant for a preliminary engineering report for a wastewater project to assist with planning for the sewer interconnect (Green Line) project

RESOLUTION NO 14-08-12C OF THE TOWN COUNCIL OF THE TOWN OF LAKE LURE

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of wastewater projects, and

WHEREAS, The Town of Lake Lure has need for and intends to apply for a Technical Assistance Grant for a Preliminary Engineering Report for a wastewater project described as the abandonment of the Town's WWTP and connection of the Town's sewer system to a third party for treatment and disposal, and

WHEREAS, The Town of Lake Lure intends to request state grant assistance for the project,

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

That Town of Lake Lure, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

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That Chris Braund, Town Manager, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 12th day of August at the Town of Lake Lure, North Carolina.

- c. a request regarding the 5th Annual Dirty Dancing Festival at Lake Lure being held August 15-16, 2014 as outlined in a letter submitted by Jo Beyersdorder dated August 4, 2014 to:
 - (1) suspend the town peddling ordinance during the festival
 - (2) use of certain town property at the non-profit rate
 - (3) use the parking lot for dance lessons
 - (4) suspend the town's alcohol ordinance in order to sell beer and wine in Morse Park Meadows
 - (5) a fabric structure permit for the event;
- e. a budget amendment to transfer \$121,000 from the capital improvement fund (#21) to the water/sewer fund (#519) for waterline replacement; and
- f. the following budget adjustment to re-appropriate funds in fiscal year 2014/2015 for projects not completed as of June 30, 2014:

	<u>Revenue</u>	<u>Appropriation</u>
<u>General Fund</u>		
Transfer from Fund Balance	\$2,500	
Economic Development		
-Community Branding		\$2,500

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Hydro-Electric Fund

Transfer from Fund Balance (Equity) \$179,000

HYDRO

-Road Repair \$179,000

End of Consent Agenda.

UNFINISHED BUSINESS:

DISCUSSION OF MANAGEMENT CONSULTANT PROPOSALS

Council members discussed proposals concerning a proposed administrative efficiency review.

Commissioner John Moore made a motion to accept a proposal from Grayroack Accounting Solutions. Commissioner Bob Cameron seconded the motion.

Commissioner Mary Ann Silvey stated that she feels the money can be better spent.

Commissioner Diane Barrett asked the town manager if he feels the review is necessary. Mr. Braund stated that if council chooses to fund the study the administration will use the service, but explained that the review only covers the town's administration department (about 6 people). Mr. Braund also stated that he feels a concern to take care of the employees that the town currently has.

After further discussion, Commissioner John Moore and Commissioner Bob Cameron voted in favor of the motion. Commissioner Mary Ann Silvey and Commissioner Diane Barrett opposed. Mayor Bob Keith voted against the motion and with a vote of 3 to 2, the motion did not carry.

NEW BUSINESS:

- a. CONSIDER ADOPTION OF ORDINANCE NO. 14-08-12 DIRECTING THE CODE ENFORCEMENT OFFICER TO REMOVE OR DEMOLISH THE STRUCTURE AT 159 JOHNSON CIRCLE (RUTHERFORD COUNTY TAX PIN: 1631235, FILE NO. ASUD-2014001), DESCRIBED AS UNFIT FOR HUMAN HABITATION AND DIRECTING THAT A NOTICE BE PLACED THEREON THAT THE SAME MAY NOT BE OCCUPIED**

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Zoning Administrator Sheila Spicer gave an overview of proposed Ordinance No. 14-08-12.

Commissioner Diane Barrett inquired about the estimated cost of the demolition and Ms. Spicer explained that once the town has the authority to take the structure down, staff can determine the most cost effective method for removing the structure as well as what methods of removal will be allowed by the state based on asbestos inspections, etc.

After discussion, Commissioner Bob Cameron made a motion adopt Ordinance No. 14-08-12 as presented. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous.

ORDINANCE NO. 14-08-12 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-2014001

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 24, 2014, and the owner has failed to comply with the Order; and,

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 September 12, 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:

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159 Johnson Circle (Rutherford County Tax PIN: 1631235)

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 24th day of April 2014, and in accordance with the Abandoned Structures/Unfit Dwellings Regulations and NCGS 160A-443.

- 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 12th day of August, 2014.

NEW BUSINESS:

b. WATER RATE PRESENTATION

Town Manager Chris Braund presented information relating to a proposed water rate increase outlining scenarios as to how to address an \$85,000 shortfall in the water department based on the minimum required to operate and maintain the town's system stating that the town has been operating at a lose in the water department. Finance Director Sam Karr, Account Thadd Hodge, and Harlow Brown, Chief Engineer at Brown Consultants, were present to answer questions relating to the scenarios.

Mr. Brown explained that council must decide if they want the enterprise fund to run on its own or continue to transfer funds to cover the water department's operating

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loss and gave an overview of five scenarios created by the finance department to illustrate potential ways to cover the operating lose through increased rates.

Commissioner John Moore asked how the shortfall amount used in the sceneries. was determined. Town Manager Chris Braund explained that the \$85,000 includes \$50,000 for infrastructure.

Council members discussed increasing the rates in smaller increments over several years.

Mr. Brown also presented a sewer rate proposal and pointed out that less than half of the town's current sewer customers are also on town water and are billed for sewer based on usage. Mr. Brown stated that the finance department suggests that all sewer customers (including those on water) be billed at a flat rate in order to generate more consistent revenue and bring fairness to the entire customer base.

Mayor Bob Keith asked how the flat sewer rate structure would affect sewer customers. Finance Director Sam Karr explained that it would vary depending on factors including the customer's water usage. Accountant Thadd Hodge agreed to draft a chart outlining the potential changes in the bills for sewer customers.

Commisioner Bob Cameron suggested that council set up a special meeting/workshop to discuss the potential utility rates.

Gary McCall of 420 Boys Camp Road stated that last year there was a proposed 9 percent increase in water rates that was not approved by council because they felt citizens could not afford the increase since the tax rate was increased by 3 cent for infrastructure. Mr. McCall further stated that he was in favor of a 4.5 percent water rate increase last year, this year and maybe next year, but not a 54 percent increase in one year.

Mayor Bob Keith recessed the meeting briefly.

NEW BUSINESS:

c. APPOINT MEMBERS TO SERVE ON THE ASSET MANAGEMENT TASK FORCE

Council members discussed the number of members that should be appointed to serve on the task force and potential conflicts that may arise if applicants from the same office or husband and wife were appointed to serve on the board.

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Commissioner John Moore recommended that five members be appointed to the task force and that town council may re-examine the number of members at a later date if necessary.

After further discussion, Commissioner Mary Ann Silvey made a motion to appoint a total of seven members to serve on the Asset Management Task Force. Commissioner Diane Barrett seconded the motion. Commissioner Mary Ann Silvey and Commissioner Diane Barrett voted in favor of the motion. Commissioner John Moore and Commissioner Bob Cameron opposed. Mayor Bob Keith voted in favor of the motion to appoint seven members to the group.

Council members voted by written ballot. Town Manager Chris Braund announced that Andy Bell, Jack Buckingham, Charlie Ellis, Jonathan Hinkle, Tom McKay, Linda Turner and Mike Holden were appointed to serve on the board.

NEW BUSINESS:

d. CONSIDER FILLING A VACANT FIREFIGHTER POSITION

Fire Chief Ron Morgan explained that Firefighter Wendy Craig will be leaving the fire department and asked that council approve filling her position.

Commissioner John Moore asked Mr. Morgan to explain the staffing at the Fire Department and the duties of the position that he is proposing be filled.

Council members expressed a desire to hire someone local, potentially a volunteer at the department.

Mr. Morgan informed council that the position includes clerical responsibilities in addition to full time firefighter position duties.

Ron explained that the position is necessary to the operation of the fire department.

Commissioner Diane Barrett made a motion to fill the vacant the firefighter position. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

NEW BUSINESS:

e. CONSIDER ADOPTION OF RESOLUTION NO. 14-08-12B APPOINTING

**THE LAKE LURE NC 9 SMALL AREA PLAN STEERING COMMITTEE AND
INITIATING THE SMALL AREA PLAN DEVELOPMENT PROCESS**

Community Development Director Shannon Baldwin gave an overview of proposed Resolution No. 14-08-12B.

After discussion, Commissioner Bob Cameron made a motion to adopt Resolution No. 14-08-12B appointing the Lake Lure NC 9 Small Area Plan Steering Committee and initiating the small area plan development process as presented. Commissioner Diane Barrett seconded that motion and the vote of approval was unanimous.

RESOLUTION NUMBER 14-08-12B

**A RESOLUTION APPOINTING THE
TOWN OF LAKE LURE NC 9 SMALL
AREA PLAN STEERING COMMITTEE
AND INITIATING THE SMALL AREA
PLAN DEVELOPMENT PROCESS**

WHEREAS, the 2007-2027 Comprehensive Plan serves a guide for managing growth and optimizing municipal operations and resources over the long term; and

WHEREAS, the 2007-2027 Comprehensive Plan identifies growth management issues while defining policies and strategies that will secure desirable economic development, sustainable fiscal health, adequate environmental protection, and optimal community appearance; and

WHEREAS, the 2007-2027 Comprehensive Plan defines policies and action steps to optimize municipal service performance with respect to public safety, public health, recreation, and circulation over the long term; and

WHEREAS, a good planning process identifies inadequacies with municipal facilities, such as water supply, water distribution, sewer collection and sewer treatment while defining action steps to resolve those inadequacies; and

WHEREAS, there exists a need to solicit input from voters, property owners, business owners, and residents of the Town of Lake Lure through stakeholder input and public meetings concerning the future of the town's NC 9 Corridor; and

WHEREAS, the Town of Lake Lure is in need of a NC 9 Small Area Plan as recommended in the 2007-2027 Comprehensive Plan; and

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WHEREAS, the scope of this NC 9 Small Area Plan required the town secure services of professional planners/designers via contract to assist the NC 9 Small Area Plan Steering Committee in developing the NC 9 Small Area Plan over the 3 months beginning First Week in September 2014; and

WHEREAS, there exists the need for the expertise of the Lake Lure Planning Board, the need to secure representation and input from various town boards, and the need to keep good communication with the Planning Board, Parks and Recreation Board, and Town Council throughout the NC 9 Small Area Plan development process;

THEREFORE, BE IT RESOLVED,

ONE: The Lake Lure Town Council hereby appoints an NC 9 Small Area Plan Steering Committee to provide input into the NC 9 Small Area Plan process outlined in the document entitled “Knight Strategies: Proposal for Services.” Said Steering Committee shall be made up of individuals from the following groups:

Group 1 Planning Board. Two members of the Planning Board shall be appointed. One shall be the chairman of the Planning Board who shall serve as chairman of the NC 9 SAPSC.

Group 2 Parks & Recreation Board. The Parks & Recreation shall nominate a representative from among its members. Town Council appoints said nominee to serve on the SAPSC.

Group 3 Town Council. One representative of the Town Council shall be appointed by the members of Council to serve on the SAPSC.

Group 4 NC 9 Business Owners / Service Providers. The following businesses owners/ service providers may nominate one representative each to serve on the SAPSC. Town Council appoints their respective representative to serve on the SAPSC:

- Ingles Markets
- Larkin’s
- Lake Lure Classical Academy
- Eagle Camp, LLC
- Mountain Area Health Education Center (MAHEC)

Town Council appoints said nominees to serve on the SAPSC.

Group 5 Chamber of Commerce. The Hickory Nut Gorge Chamber of Commerce may appoint a member of the Chamber to serve on the

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SAPSC. Town Council appoints said nominee to serve on the SAPSC.

Group 7

Property Owners. The Town Council appoints the following property owners or their representatives to serve on the SAPSC:

- Adams, Don (Tax PIN 1649548)
- Clinkscales, Grady (Tax PIN 227178)
- Edwards, Whitson (Tax PIN 224300)
- Gingerich, Verlin (Tax PIN 1639337)
- Lake Vista Apts. (Tax PIN 1633453)
- Silvey, Mary Ann (Tax PIN 1649547)
- Smith, George (Tax PIN 1633453)

Town Council appoints said nominee to serve on the SAPSC.

Group 8

Polk County. Polk County may appoint a member of the County Government (planning, administration, elected officials) and Economic Development Commission to serve on the SAPSC. Town Council appoints both nominees to serve on the SAPSC.

TWO: The Town Council shall receive a monthly report from the Community Development Director (who will serve as the project manager for the NC 9 Small Area Plan project) regarding the progress of the plan over the next 3 months, hold a joint meeting with the NC 9 SAPSC midway through the development process to discuss progress (if needed) and consider adopting the final NC 9 SAP once completed, reviewed, and recommended for approval the Town of Lake Lure Planning Board.

Adopted this 12th day of August, 2014.

NEW BUSINESS:

- f. CONSIDER ADOPTION OF RESOLUTION NO. 14-08-12 AMENDING THE PERSONNEL POLICY OF THE TOWN OF LAKE LURE**

Personnel Director Anita Taylor explained that she has been working with David Hill with HR Essentials Consulting to update the Town's personnel policy and gave an overview of Resolution No. 14-08-12 and outlined proposed changes to the manual.

Commissioner John Moore questioned the vacation rate of accumulations.

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After discussion, Commissioner Mary Ann Silvey made motion to adopt Resolution No. 14-08-12 amending the personnel Policy of the Town of Lake Lure and Diane seconded the motion and the vote of approval was unanimous. Council members commended Ms. Taylor for her work on the manual.

RESOLUTION NO. 14-08-12

**A RESOLUTION TO AMEND EXISTING
PERSONNEL POLICY ADOPTED NOVEMBER, 2001
AND UPDATED MAY, 2007**

WHEREAS, the Town of Lake Lure has an existing Personnel Policy adopted November, 2001, amended May, 2007; and

WHEREAS, the Town of Lake Lure has authored a revision of said Personnel Policy to Personnel Manual dated August 1, 2014 to strengthen the employment at will employer-employee relationship, to remain consistent with changes in the NC General Statutes, and to reflect best personnel practices in NC local governments and state agencies; and

WHEREAS, the Personnel Manual shall apply to the appointment, classification, benefits, salary, promotion, demotion, dismissal and conditions of employment of the employees of the Town of Lake Lure.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA that all policies, ordinances or resolutions that conflict with the provisions of the newly revised Personnel Manual are hereby repealed.

BE IT FURTHER RESOLVED, the revised Personnel Manual will become effective on the date of its adoption by the Town Council of the Town of Lake Lure and amended by updating the existing contents in its entirety and referring therein to the revised Town of Lake Lure Personnel Manual.

Adopted this 12th day of August, 2014.

NEW BUSINESS:

**g. CONSIDER ADOPTION OF RESOLUTION NO. 14-08-12D AUTHORIZING
THE RELEASE AND CLOSURE OF A SOIL ROAD CROSSING A 34.04 ACRE TRACT**

**OF CLASSICAL ACADEMIES CFA, INC. TO OTHER TOWN PROPERTY KNOWN
AS THE LAKE LURE GOLF COURSE**

Town Attorney Chris Callahan gave an overview proposed Resolution No. 14-08-12D, proposed Resolution No. 14-08-12E and proposed Resolution No. 14-08-12F.

Commissioner Bob Cameron asked the Mr. Callahan make sure the town will have the right to use the road to access other town property.

After further discussion, Commissioner Bob Cameron made a motion to adopt Resolution No. 14-08-12D. Commissioner Mary Ann Silvey seconded motion and the vote of approval was unanimous.

**RESOLUTION 14-08-14D
A RESOLUTION AUTHORIZING THE RELEASE AND CLOSURE OF A SOIL ROAD
CROSSING A 34.04 ACRE TRACT OF CLASSICAL ACADEMIES CFA, INC. TO
OTHER
TOWN PROPERTY KNOWN AS THE LAKE LURE GOLF COURSE**

WHEREAS, the Town of Lake Lure has previously executed a Deed and later a Deed of Correction to Classical Academies CFA, Inc. which property is described and shown on a Plat of Survey dated August 20, 2013 and recorded in Plat Book 34, Page 134, Rutherford County Registry;

And Whereas on said Plat there is a existing soil road showing which crosses the 34.04 acre and leads north to other lands owned by the Town of Lake Lure, which other lands are utilized as a municipal golf course;

And Whereas Classical Academies CFA, Inc. is obtaining a loan in order to build a school on this 34.04 acre tract and the location of this soil road as a possible easement to other property is creating a problem; and

Whereas this soil road has never been opened to the public and the Town of Lake Lure has no need of it to utilize their other properties;

NOW, THEREFORE, BE IT RESOLVED, by the Lake Lure Town Council, meeting in regular session on Tuesday, August 12, 2014, with a majority of the Councilmen voting in the affirmative, that the Mayor of Lake Lure and Town Clerk are hereby authorized to sign the Quitclaim Deed attached to this Resolution between the Town of Lake Lure and Classical Academies CFA, Inc.; the intent of which is to close this private road and release any rights to said soil road by the Town of Lake Lure so that the Grantee Classical Academies CFA, Inc. may remove any portion or all of said road in order to construct a school on this location.

Commissioner Diane Barrett made a motion to adopt Resolution No. 14-08-12E. Commissioner Mary Ann Silvey seconded motion and the vote of approval was unanimous.

RESOLUTION NO. 14-08-12E

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A RESOLUTION AUTHORIZING THE RELEASE OF RIGHTS OF REVERTER AND REVERSIONARY INTERESTS

WHEREAS, the Town of Lake Lure has previously executed a Deed and later a Deed of Correction to Classical Academies CFA, Inc. which property is described and shown on a Plat of Survey dated August 20, 2013 and recorded in Plat Book 34, Page 134, Rutherford County Registry;

AND WHEREAS the First Deed dated August 23, 2012, recorded in DB 1067 Page 6-9 provided, on the first page, under "See Exhibit A" stated:

"If Grantee fails to obtain a certificate of occupancy (or its equivalent) permitting the operation of a public school (including a public charter school) on the property within five (5) years following recordation of this deed, then Grantor shall have the right to re-enter the premises and, upon exercise of such re-entry, all right, title and interest of Grantee, it's successors and assigns [sic]..."

AND WHEREAS this five year period expires July 9, 2018 as the Deed wasn't recorded until July 9, 2013.

AND WHEREAS this language is unacceptable to the Lender and bonding company on the loan that is currently in process for the Lake Lure Classical Academy which will be constructed on said tract or parcel of land because it relies on a third person making future decisions;

AND WHEREAS the Lender assures the Town of Lake Lure that the construction loan will not be closed and recorded until there is a signed construction contract in hand, so that the recording of the construction loan Deed of Trust securing the Construction Loan will complete both the construction contract and lending agreement and that further there is a performance bond insuring the construction contract will be fulfilled; and

And the The Town as owner or any right of reverter referenced above has agreed to revise its right of re-entry so that same is no longer conditioned upon the receipt of a certificate of occupancy. Instead, the right of re-entry will cease to exist at the time the Bonds are issued in order to finance the construction of the school, provided a condition to such issuance is an executed construction contract for the construction of the school, and Town will provide a written recordable instrument in confirmation thereof (to be delivered in escrow and released at issuance).

Now therefore, the Town of Lake Lure resolves as follows:

The Town as owner or any right of reverter referenced above has agreed to revise its right of re-entry so that same is no longer conditioned upon the receipt of a certificate of occupancy.

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Instead, the right of re-entry will cease to exist at the time the Bonds are issued in order to finance the construction of the school, provided a condition to such issuance is an executed construction contract for the construction of the school, and Town will provide a written recordable instrument in confirmation thereof (to be delivered in escrow and released at issuance).

The Mayor and Town Clerk, and Town Manager, if required, are directed and authorized to sign any release documents to this effect approved of by the Town Attorney.

This 12th day of August, 2014.

Commissioner Bob Cameron made a motion to adopt Resolution No. 14-08-12F authorizing the mayor and town clerk to sign the deed for a road to Lake Lure Classical Academy off of Island Creek Road. Commissioner Diane Barrett seconded motion and the vote of approval was unanimous.

NEW BUSINESS:

h. DISCUSSION OF IT SUPPORT VENDOR ANALYSIS

Town Manager Chris Braund updated council on a review of the town's current IT vendor and proposals from other firms. Mr. Braund explained that based on a technology consultant's recent IT support analysis, he would like to work with the one recommended firm and negotiate with them on refining a plan, potentially using lease of hardware and software, to move away from the current IT approach and come back to council with a contract at a later meeting.

After discussion, Commissioner Bob Cameron made a motion to direct the town manager to go forward with the recommended IT vendor and get a proposal. Commissioner Diane Barrett seconded the motion and the vote of approval was unanimous.

NEW BUSINESS:

k. CONSIDER ADOPTION OF RESOLUTION NO. 13-08-12A AND APPROVE FINANCING OF A PUBLIC WORKS TRUCK AND A POLICE VEHICLE

Commissioner John Moore asked if council could use surplus funds from last fiscal year instead of financing the vehicles.

Council members discussed the options, but agreed to finance the vehicles.

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Commission Bob Cameron made motion to adopt Resolution No. 14-08-14A and approve financing of a public works truck and a police vehicle. Commissioner John Moore seconded the motion and the unanimous.

RESOLUTION NO. 14-08-12A

WHEREAS: The Town of Lake Lure (“Town”) has previously determined to undertake a project for the financing of one new police vehicle and one new Public Works Truck (the “Project”), and the finance officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated July 30, 2014. The Amount financed shall not exceed \$82,350.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.19% and the financing term shall not exceed three (3) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until conditions for the delivery of the Financing Documents have been completed to such officer’s satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Document’s final form.
4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as

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“qualified tax-exempt obligations” for the purpose of Internal Revenue Code Section 265(b) (3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town’s general fund or any other Town fund related to the project, for project costs may be reimbursed. From financing proceeds.
6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved the 12th day of August, 2014.

NEW BUSINESS:

- h. CONSIDER ASKING THE BOARD OF ELECTIONS TO USE TOWN HALL AS A POLLING PLACE FOR UPCOMING ELECTIONS**

After discussion, Commissioner John Moore made motion to send another letter to ask that the Rutherford County Board of Elections asking that they reconsider allowing voting at town hall. 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 9:05 p.m. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

ATTEST:

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Andrea H. Calvert

Mayor Bob Keith