



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD TUESDAY, MARCH 8, 2016, 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 Stephen M. Webber

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:

- Removing item 8b, approval of a Zoning Compliance permit for a storage building to be placed behind the Lake Lure Fire Department, from the consent agenda and adding it as the first item under new business
- Adding an item under new business to discuss a question from the Lake Advisory Board

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concerning tour boat operations

- Moving item 10a, a sewer rate presentation, under new business down on agenda to be a part of item 10d, consideration of a green line sewer engineering contract and an aerial survey contract
- Omitting the portion of item 10e concerning property acquisition

Commissioner Stephen Webber seconded the motion and the vote of approval was unanimous.

STAFF REPORTS

Town Manager Chris Braund presented the town manager's report and gave an overview of town and staff activities.

COUNCIL LIAISON REPORTS & COMMENTS

Commissioner Stephen Webber reported the activities of the Lake Lure Board of Adjustment/Lake Structures Appeals Board and 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 Lure ABC Board and the Lake Advisory Board.

Commissioner Bob Cameron reported the activities of the Utility Board.

PUBLIC FORUM

Mayor Bob Keith invited the audience to speak during public forum.

CONSENT AGENDA

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

Commissioner Stephen Webber made a motion to approve the consent agenda as amended. Commissioner Mary Ann Silvey 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 February 9, 2016 regular meeting;

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- b. (moved to new business for discussion)
- c. appoint Mark Hoek to fill the remainder of Stephen M. Webber's regular position on the Board of Adjustment with a term expiring December 31, 2017 and appoint Rick Stockdale to fill the remainder of Mark Hoeks' alternate member position on the Board of Adjustment with a term expiring December 31, 2018;
- d. a fire department budget amendment to move \$1,800 from Fire Donations acct.(#10-213350) to Fire Department-supplies(#218) as outlined in memo from Finance Director Sam Karr dated March 2, 2016 (Copy of memo attached.);
- e. the following budget amendment concerning hydro-electric fund overtime as outlined in memo from Finance Director Sam Karr dated March 2, 2016 (Copy of memo attached)

<u>Revenues</u>		<u>Expenditures</u>	
Charges	\$12,500	Overtime	\$10,000
		FICA	\$ 765
		Retirement	\$ 1,227
		Group Ins.	\$ 8
		401(k)	\$ 500

- f. Resolution No. 16-03-08A approving use of town credit cards with Carolina Trust Bank

RESOLUTION NO. 16-03-08A
A RESOLUTION OF THE TOWN OF LAKE LURE, NORTH CAROLINA,
APPROVING USE OF CREDIT CARDS WITH CAROLINA TRUST BANK

WHEREAS, the Town of Lake Lure has used credit cards since 2005, and acknowledges there are times for the needed usage of credit cards for business and travel related services;

THEREFORE BE IT RESOLVED, as follows:

1. Town Council, of the Town of Lake Lure, North Carolina, authorizes town's Finance Director to secure credit cards issued by Carolina Trust Bank in the name of the Town of Lake Lure under Town of Lake Lure's department head's name.

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2. The Town of Lake Lure's credit limit for all credit cards issued shall have a total maximum limit of \$15,000 to be spread out over all departments.
3. Issued credit cards shall have the same requirements as traditional purchases where Purchase Orders are issued for goods over \$100 purchases. All documentation for that purchase should be turned into the finance office as soon as possible; including Purchase Order, receipts, and signatures.
4. Issued credit cards will be the responsibility of the department head and shall be secured with that department head.
5. Finance department shall pay the charge cards promptly so that no interest carrying charges of penalties will be incurred due to late payments. Any employee who causes interest or carrying charges to be added to the credit card account by a failure to timely provide the required information to the Finance Director shall be personally liable for the interest or carrying charge. Any employee who fails to provide a receipt for the purchase shall be personally liable for the purchase.
6. No credit card issued by the town for any department supervisor or employee shall be used by any person for a private purchase.

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

The motion to adopt this Resolution was made by Council Member Stephen Webber;

Seconded by Council Member Mary Ann Silvey, and was passed unanimously by those members present at the meeting of the Town Council, Lake Lure, North Carolina, held on the eighth of March, 2016.

- g. Resolution No. 16-03-08B approving an installment financing contract for a new police vehicle

RESOLUTION NO. 16-03-08B

**A RESOLUTION OF THE TOWN OF LAKE LURE, NORTH CAROLINA,
APPROVING AN INSTALLMENT FINANCING CONTRACT OF A NEW
POLICE VEHICLE**

WHEREAS, the Town of Lake Lure, North Carolina is a duly and regularly created, organized and validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina;

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BE IT THEREFORE RESOLVED, as follows:

1. Town Council, of the Town of Lake Lure, North Carolina, hereby determines to finance Police Vehicle through Carolina Trust Bank, in accordance with the proposal dated February 1, 2016. The amount financed shall not exceed \$34,350.00, the annual interest rate shall not exceed 3.25%, and the financing term shall not exceed 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 following 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 Police Vehicle as contemplated by the proposal and resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for 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 in the 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 in 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 principle and interest payments under the Financing Documents as “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 Carolina Trust Bank financing described above. The Town intends that the funds that have been advanced, or that may be

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advanced, from the Town's general fund for project costs may be reimbursed from the financing proceeds.

6. All prior action of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved, and confirmed.

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

The motion to adopt this Resolution was made by Council Member Stephen Webber;

Seconded by Council Member Mary Ann Silvey, and was passed unanimously by those members present at the meeting of the Town Council, Lake Lure, North Carolina, held on the eighth of March, 2016.

End of Consent Agenda.

NEW BUSINESS:

CONSIDER APPROVAL OF A ZONING COMPLIANCE PERMIT FOR A STORAGE BUILDING TO BE PLACED BEHIND THE LAKE LURE FIRE DEPARTMENT

Fire Chief Ron Morgan presented a proposal requesting approval of placement of a storage building for fire equipment storage and explained that the original request was to place the storage unit at the fire department, but after discussion it has been determined that placement at the golf course may be a better option.

After discussion, Commissioner John Moore made a motion to approve a zoning compliance permit for a Conex box to be placed at the golf course for fire department storage. Mary Ann Silvey seconded that motion and the vote of approval was unanimous.

NEW BUSINESS:

CONSIDER DIRECTING THE LAKE ADVISORY BOARD TO DISCUSS AND MAKE A RECOMMENDATION CONCERNING REGULATIONS OF TOUR BOATS

Commissioner Mary Ann Silvey presented information relating to a discussion held at the March, 2016 Lake Advisory Board meeting concerning the regulation of tour boats on the lake and the possibility of requiring all tour boat operations to have an agreement with the town.

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After discussion Commissioner Stephen Webber made a motion to direct the Lake Advisory Board to discuss regulation of tour boats. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

Town Manager Chris Braund pointed out that there are two components to be considered concerning regulation of tour boat operations: operating rules and payment to the town. Mr. Braund explained that these two areas are currently addressed for Lake Lure Tours through concession agreement with the town and suggested that the Lake Advisory Board may consider this type agreement for all tour boat services on the lake.

Council unanimously voted in favor of the motion.

NEW BUSINESS:

PRESENTATION CONCERNING A POLICY AND PROCESS FOR NAMING OF TOWN PARKS, RECREATIONS AREAS AND PARKS & RECREATION FACILITIES PROPOSED BY THE PARKS AND RECREATION BOARD

Parks and Recreation Board Chairman Jim Walters presented a policy proposed by the Parks and Recreation Board concerning naming of town parks, recreations areas and recreation facilities.

Commissioner Stephen Webber asked that on page two of the proposed policy under “exclusions” the sentence that reads “are addressed in separate policies” be changed to read “will be addressed in separate policies” since these policies do not exist at this time.

After discussion, Commissioner Stephen Webber made a motion to approve the policy as amended including the previously stated amendment. Commissioner John Moore seconded the motion and the vote of approval was unanimous. (Copy of the Policy and Process for the Naming of Lake Lure, North Carolina Town Parks, Recreational Areas and Facilities is attached.)

Mr. Walters thanked Town Manager Chris Braund for his efforts in making improvements to the Parks and Recreation department during his time as town manager.

NEW BUSINESS:

CONSIDER ADOPTION OF RESOLUTION NO. 16-03-08 CONCERNING A REQUEST FROM GREG GARDNER TO QUITCLAIM A PIECE OF PROPERTY THAT ADJOINS HIS LOT IN FIREFLY COVE

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Attorney Chris Callahan gave background and explained the purpose of proposed Resolution No. 16-03-08. Mr. Callahan also stated that Zoning Administrator Sheila Spicer asked that, if the town votes to adopt the resolution, Mr. Gardner be required to provide a recombination deed of the quitclaimed area along with his lot so there is just one tract.

After discussion, Commissioner Bob made a motion to adopt Resolution No. 16-03-08 as presented including the requirement of a recombination deed from Mr. Gardner. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

RESOLUTION 16-03-08

WHEREAS, Gregory S. Gardner and wife Debra Milstein Gardner are the owners of a 0.70 acre tract or parcel of land located in the Town of Lake Lure, which tract or parcel of land is known as Lot 6, Firefly Cove, Plat Book 28, Page 285, Rutherford County Registry; and

WHEREAS, 692 square feet of sedimentation has accreted to the shoreline of Lot 6 over many years as shown by the attached Plat attached as Exhibit A and by the proposed quitclaim Deed attached hereto as Exhibit B, which description is incorporated herein by reference as if fully set forth; and

WHEREAS, Gregory S. Gardner and wife, Debra Milstein Gardner have requested the Town of Lake Lure to quitclaim any interest of the town to them for the 692 square feet of accreted shoreline as shown on Exhibit A; and

WHEREAS, the property of John W. Moore abounds on the North side of the property of Gregory S. Gardner and wife Debra Milstein Gardner, and as a Commissioner of the Town of Lake Lure has no objection to this action by the Board of Commissioners; and

WHEREAS, a Quitclaim Deed of Conveyance has already been prepared by the Town Attorney; and

WHEREAS, Gregory S. Gardner and wife, Debra Milstein Gardner also agree simultaneously with any recording of this Quitclaim Deed to file a Deed of Consolidation consolidating the boundaries of the 692 square foot tract with their Lot 6 so that of record there will be one description;

NOW, THEREFORE, the Board of Commissioners of the Town of Lake Lure hereby resolves to execute and thereby convey the tract or parcel of land set forth in the proposed Quitclaim Deed to Gregory S. Gardner and wife, Debra Milstein Gardner on the condition that prior to recording said Quitclaim Deed they have prepared and executes a Deed of Consolidation so that the Deed of Consolidation is recorded immediately after the Quitclaim Deed.

Unanimously adopted this 8th of March, 2016.

NEW BUSINESS:

SEWER RATE PRESENTATION

Brian Tripp with W.K. Dickerson presented information relating to the town's sewer system, the history of the system, options for continuing operation of the system and potential ways to fund the proposed green line project.

Mr. Tripp gave an overview of a proposed rate structure including a proposed increase in the town's rate in order to secure a 0% interest rate and answered questions relating to the presentation. The new rate structure must be in place when the application is submitted April 29, 2016 to qualify.

Town Manager Chris Braund explained that council should consider the new rate structure by next month's town council meeting. Mr. Braund stated that the proposed increase will likely cause a lot of citizen concerns as the last rate increase did, but further delay of the project will likely increase future cost.

Council members discussed the presentation and proposed sewer rates and asked Town Manager Chris Braund to work with Spindale town officials to get a contract for the proposed green line connection.

Utility Board member Wayne Hyatt pointed out the necessity of the proposed project and stated that the state will likely step in if the necessary changes are not made.

Linda Turner of 211 Hawks Nest Trail inquired as to what the proposed time frame for completion of the green line operation is. Mr. Tripp estimated completion of the project around the year 2019, but explained that if the town begins work on the project it will show that the town is making efforts to address the issues and will potentially delay any state action.

Attorney Chris Callahan stated that a public hearing will be held at the next council meeting when the rate increase is proposed.

Pat Cooke of Four Season Cottages questioned why vacation rentals are considered commercial operations but are not required to pay the same commercial rate as the rental cabins. Council explained that the Utility Advisory Board will continue to discuss the matter.

NEW BUSINESS:

**CONSIDER APPROVAL OF A GREEN LINE SEWER ENGINEERING CONTRACT
AND AN AERIAL SURVEY CONTRACT**

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Council members discussed the costs associated with the proposed contracts. Jeffrey Brown explained that they have worked together with W.K. Dickerson to make sure they are not duplicating processes in order to make the process more cost effective.

After further discussion, Commissioner Bob Cameron made a motion approve the engineering contracts with Brown Consultants and W.K. Dickerson & Co. and the aerial survey contract with Wes Cole Land Surveying, PA and authorize the town manager to execute the documents on behalf of the town. Commissioner Mary Ann Silvey seconded the motion and the vote of approval was unanimous.

CLOSED SESSION:

- **IN ACCORDANCE WITH G.S. 143-318.11(A)(6) FOR THE PURPOSE OF DISCUSSING PERSONNEL MATTERS CONCERNING APPOINTMENT OF AN INTERIM TOWN MANAGER; AND**
- **IN ACCORDANCE WITH G.S. 143-318.11(A) (3) FOR ATTORNEY CLIENT PRIVILEGE TO DISCUSS LITIGATION BETWEEN THE TOWN OF LAKE LURE AND EISENBROWN, SELF, JONES, ET. AL.**

Commissioner Stephen Webber made a motion in enter into closed session in accordance with G.S. 143-318.11(a)(6) for the purpose of discussing personnel matters concerning appointment of an interim town manager and in accordance with G.S. 143-318.11(a) (3) for attorney client privilege to discuss litigation between the Town of Lake Lure and Eisenbrown, Self, Jones, et. al. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

While in closed session council members discussed potential candidates to serve as interim town manager after Chris Braund leaves his position.

Council members also discussed legal matters relating to litigation between the Town of Lake Lure and Eisenbrown, Self, Jones, et. al.

Commissioner Stephen Webber made a motion to leave the closed session portion of the meeting and enter into regular session. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

Commissioner Stephen Webber made a motion to appoint Finance Director Sam Karr to serve as Interim Town Manager. Commissioner Bob Cameron seconded the motion and the vote of approval was unanimous.

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Commissioner Mary Ann Silvey made a motion to create a litigation committee of two members with the mayor being one member and Commission Stephen Webber serving as the other member and Commissioner John Moore serving as an alternate on the committee to fill in as needed. The motion did not carry.

Commissioner Bob Cameron made a motion to create a litigation committee with Commissioner Stephen Webber and Commissioner John Moore serving on the committee and Mayor Bob Keith serving as an alternate. Commissioner John Moore seconded the motion. Commissioner Bob Cameron, Commissioner John Moore, and Commissioner Stephen Webber vote in favor of the motion. Commissioner Mary Ann Silvey opposed. The motion carried with a vote of three to one in favor.

ADJOURN THE MEETING

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

ATTEST:

Andrea H. Calvert

Mayor Bob Keith