

**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL
HELD TUESDAY, JANUARY 7, 2020, 8:30 A.M. AT THE LAKE LURE MUNICIPAL
CENTER**

PRESENT: Mayor Carol C. Pritchett
Mayor Pro Tem John W. Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby
Shannon Baldwin, Town Manager

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol Pritchett called the meeting to order at 8:30 a.m.

II. APPROVE THE AGENDA

Commissioner Kilby proposed adding a discussion during closed session involving a personnel matter. Mr. Baldwin asked to remove the Highlands POA appeal of a civil penalty from the Agenda.

Commissioner John Kilby made a motion to approve the Agenda, as amended. Commissioner John Moore seconded and the motion carried 4-0.

III. CLOSED SESSION

Commissioner John Moore made a motion to enter into Closed Session in accordance with G.S. 143-318.11(a) (3) for the purpose of discussing Attorney Client Privilege or Legal Claims and G.S. 143-318(a) (6). Commissioner John Kilby seconded and the motion carried 4-0.

While in Closed Session, Council discussed Brown Consultants recent termination, the Highlands POA appeal of a civil penalty, and the Marina project bid proposals. Council agreed to return to open session to vote on contractors before returning to closed session to discuss personnel matters.

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Commissioner John Kilby made a motion to return to open session. Commissioner Patrick Bryant seconded and the motion carried 4-0.

IV. TOWN COUNCIL APPROVAL: DEMOLITION OF BOARDWALK CONTRACTOR

Commissioner John Moore made a motion to accept the bid from Jay Freeman for demolition of the boardwalk, pending LGC approval. Commissioner David DiOrio seconded and the motion carried 4-0.

VI. TOWN COUNCIL APPROVAL: MARINA/BOARDWALK CONSTRUCTION CONTRACTOR

Commissioner John Moore made a motion to approve the bid from Marathon Builders for construction of the Marina and Boardwalk, pending LGC approval and an acceptable contract. Commissioner Patrick Bryant seconded.

Commissioner John Moore amended his previous motion to add that the contract must be signed by the close of business on Friday, January 10, 2020. Commissioner Patrick Bryant seconded and the amended motion carried 4-0.

VII. TOWN COUNCIL APPROVAL: BANK FINANCING FOR MARINA/BOARDWALK PROJECT

Sam Karr, Finance Director, stated that in October 2019 we solicited bids for various financing banks/institutions for this loan and received three. The lowest was Carolina Trust Bank for a 10 year loan. The revenues from boat slip rentals cover the payments, with the additional new slips being constructed. Commissioner Moore asked about those on the waiting list for a slip and Mr. Givens stated yes, we have a waiting list to have all slips rented except for about 26 slips. Mr. Karr stated the LGC is meeting today and he will know sometime later this afternoon. Mr. Baldwin noted this is contingent upon LGC approval of accepting the application. Mr. Karr noted it has to be project ready for the LGC to approve.

Mr. Baldwin stated that the LGC was created by the State of NC, a solvent State who takes financing and review of financing serious, and this group was created by the General Assembly to monitor and oversee financing/borrowing/investing. The State is specific and this body is created to monitor how we borrow money and where we put our money. Mr. Karr noted the State is the regulators and we have to have their approval for financing.

Commissioner Kilby made a motion to accept the bid for financing. Commissioner DiOrio seconded and the motion carried 4-0.

VIII. RESOLUTION NO. 20-01-07 INTENT TO REIMBURSE – MARINA/BOARDWALK PROJECT
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Finance Director Sam Karr explained that this Resolution is a requirement before closing on financing, to front money if the contractor needs to draw for materials, and the monies would be reimbursed.

Commissioner Patrick Bryant made a motion to approve Resolution No. 20-01-07 Intent to Reimburse for the Marina/Boardwalk project. Commissioner David DiOrio seconded and the motion carried 4-0.

**RESOLUTION NO. 20-01-07
TOWN OF LAKE LURE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE**

This declaration (the “Declaration”) is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of the Town of Lake Lure, North Carolina (the “Issuer”) with respect to the matters contained herein.

1. **Expenditures to be Incurred.** The Issuer anticipates incurring expenditures (the “Expenditures”) for the purchase of Boat Slips and boardwalk (the “Project”).
2. **Plan of Finance.** The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the “Borrowing”), the interest on which is to be excluded from gross income for Federal income tax purposes.
3. **Maximum Principal Amount of Debt to be Issued.** The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is \$1,100,000.00.
4. **Declaration of Official Intent to Reimburse.** The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

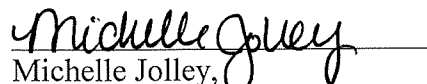
Adopted this 7th day of January, 2020

Commissioner Patrick Bryant made a motion to continue to closed session to discuss personnel matters. Commissioner John Moore seconded and the motion carried 4-0. Town Manager Shannon Baldwin and Town Clerk Michelle Jolley were excused from this portion of the closed session.

ADJOURN THE MEETING

With no further business, Commissioner Patrick Bryant made a motion to adjourn the meeting at 11:40 a.m. Commissioner John Kilby seconded and the motion carried 4-0.

ATTEST:


Michelle Jolley,
Town Clerk


Mayor Carol Pritchett

