MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL HELD TUESDAY, JANUARY 12, 2021, 5:00 P.M. ELECTRONICALLY VIA ZOOM

PRESENT VIA ZOOM:	Mayor Carol C. Pritchett Mayor Pro Tem John W. Moore Commissioner Patrick Bryant Commissioner David DiOrio Commissioner John Kilby William Morgan, Jr., Town Attorney Shannon Baldwin, Town Manager
ABSENT:	N/A

I. CALL TO ORDER

Mayor Carol C. Pritchett called the meeting to order at 5:11 p.m.

II. APPROVE THE AGENDA

Commissioner DiOrio proposed moving “Review and Approval of the Organizational Chart” from “Consent Agenda” to “New Business” following the “WR Report Review.” Mayor Carol Pritchett proposed removing “Adoption of the December 16, 2020 Special Budget Planning Session Workshop Minutes” from the Consent Agenda as this meeting was cancelled.

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

III. MAYOR’S COMMUNICATIONS

There were no communications to report.

IV. TOWN MANAGER COMMUNICATIONS

Town Manager Shannon Baldwin reported on the Lake Drawdown Schedule stating that the Lake is down and preparations are being made for the inspection of the penstock that will take place tomorrow. DEQ will be here and Town Engineer Kurt Wright will host a tour of the existing sewer collection system and the backshore area. On January 18-20, LaBella will be providing interested contractors a tour of the Phase 1 area so that they have a good understanding of that area before they begin bidding on some of the work when the RFQ's are released. Mr. Wright commented that he will be providing a tour of the inside of the penstock on Thursday for any of the Council that are interested. He then shared that Kristen Fertenbaugh, with DEQ in Raleigh, is the person who will be responsible for permitting the one-of-a-kind sewer system that Lake Lure will be using. There is no other sewer system like this in the State and only a few in the Country. This system was developed by LaBella and has been used on a much smaller scale in Florida. He stated that Ms. Fertenbaugh will be visiting on Friday and he expressed the need to focus attention on answering all of her questions to make sure she understands the design concept.

Public Works Director David Arrowood provided an update on the ABC Store crosswalk. He stated that he contacted Anna Henderson, with NCDOT in Asheville and who issues the approvals for crosswalks, in mid-December and explained the need for a pedestrian crosswalk from the ABC Store to Lured Market. Ms. Henderson explained that a crosswalk would not be considered from the ABC parking lot to the Lured Market parking lot without a dedicated landing (a sidewalk), even if it met the requirement of 25 pedestrians in a 4-hour period. She proposed an option for a crosswalk in a different location further south of Lured Market closer to the sediment pond. However, she stated that an engineered traffic study must be done first to make sure that all criteria required by the State is met. She also relayed that the Town must incur all expenses. If all requirements were met, the Town must also put up a lighted flashing crosswalk sign. Further discussion continued. Commissioner Kilby asked that Mr. Arrowood research engineers and obtain a cost estimate for an engineered traffic study to share with Council at a later time and Mr. Arrowood stated he would. Mayor Pritchett stated we could postpone this discussion until later in the year closer to peak season.

Mr. Baldwin provided a brief update on the Public Works facility fence. He stated that once the property has been surveyed, the Town will seek proposals for a new fence based on the recommendations made at a previous meeting. He then shared that he would be having a discussion AT&T along with Commissioner DiOrio and Commissioner Bryant regarding a cell tower in Lake Lure.

Mr. Baldwin relayed that a 2020 year-end project report will be available for the community to provide an understanding of the work that consultants do for the Town.

V. 2019-2020 AUDIT PRESENTATION

Justin Allen with Martin-Starnes & Associates was not present via Zoom to conduct the audit report. Council agreed to postpone the 2019-2020 Audit Presentation to the February 9th Town Council meeting.

VI. COUNCIL LIAISON REPORTS & COMMENTS

Commissioner DiOrio reported the activities of the Utilities Advisory Board.

Commissioner John Kilby reported that the ABC Board and the Lake Advisory Board did not meet last month.

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

Commissioner Patrick Bryant reported the activities of the Parks and Recreation Board.

VII. PUBLIC FORUM

Mayor Carol C. Pritchett invited the audience to speak via Zoom and no one requested to speak at this time.

VIII. CONSENT AGENDA

Mayor Carol C. Pritchett presented the Consent Agenda and asked if any other items should be removed before calling for action.

Commissioner John Kilby made a motion to approve the Consent Agenda, as presented. Commissioner John Moore seconded. Therefore, the Consent Agenda incorporating the following items was unanimously approved and adopted:

A. Adoption of the December 8, 2020 Regular Meeting Minutes

B. Approval of Budget Amendment #295 – COVID-19 Grant

C. Approval of Budget Amendment #296 – Police Vehicle

D. Amendment to the 2021 Meeting Schedule

TOWN COUNCIL MEETING SCHEDULE FOR 2021

DATE	LOCATION	TIME	TYPE
January 12, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
January 27, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
February 9, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
February 24, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session

March 9, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
March 31, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
April 13, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
April 28, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
May 11, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
May 26, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
June 8, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
June 30, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
July 13, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
July 28, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
August 10, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
August 25, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
September 14, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
September 29, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
October 12, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
October 27, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
November 9, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
November 24, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session
December 14, 2021	Lake Lure Municipal Center/Virtual	5:00 p.m.	Regular
December 29, 2021	Lake Lure Conference Room/Virtual	8:30 a.m.	Work Session

* Regular Town Council meetings are held on the 2nd Tuesday of each month.
*Work Session Meetings are held on the last Wednesday of each month.

IX. UNFINISHED BUSINESS:

There was no unfinished business to discuss.

X. NEW BUSINESS:

A. WR REPORT REVIEW

Town Manager Shannon Baldwin explained that WR Martin was commissioned by the Town to study the Finance Department and make recommendations on ways to improve process. He noted that Council was emailed a copy of the report last Friday and he asked that they accept the report as presented and allow the Town Manager to move forward with implementation. Commissioner Kilby expressed that the report was very thorough and showed that there are issues that need to be addressed which can help with streamlining and efficiency. Commissioner DiOrio mentioned that one recommendation made was to provide online pay as an added efficient measure in the administration department. Mr. Baldwin pointed out that starting tomorrow customers can pay their utility bills online. Commissioner DiOrio suggested sending information to the bill payers to let them know of this new service. He also questioned when other bills could be paid online as well. Mr. Baldwin stated this information would be pulled together and brought back in the implementation schedule. Commissioner DiOrio noted that there has been a lot of frustration from citizens about when the office is open or closed and asked that this information be provided to customers. Commissioner DiOrio recommended hiring an assistant finance director who could assist with all administrative duties as well as assist with applying for grants.

Commissioner David DiOrio made a motion to accept the WR Report as presented. Commissioner John Kilby seconded and the motion carried 4-0.

X. NEW BUSINESS:

B. REVIEW OF THE ORGANIZATIONAL CHART

Council reviewed the Organizational Chart.

Commissioner Patrick Bryant made a motion to approve the Organization Chart as presented. Commissioner David DiOrio seconded and the motion carried 4-0.

X. NEW BUSINESS:

C. AUDIT LETTER REVIEW

Finance Director Sam Karr provided a brief overview of the Audit Letter. He explained that the Town is always written up for segregation of duties because there is only one person that handles the finances. He explained that the Hydro and Dam Structure have been segregated out; the Dam Structure was moved into the General Fund which caused a one-time prior period adjustment. He also explained that the significant audit adjustment noted in the letter was the planning grant for the Dam that Schnabel did. The grant was not received until two years after the audit was completed and he did not make an adjustment as a “due from other governments” when he closed out the grant to show the grant was on its way. Mayor Pritchett suggested providing a response back to the auditors by signing the audit letter. Mr. Baldwin noted that we are doing things to improve our status and position as approved by the LGC and are showing results.

X. NEW BUSINESS:

D. LEGISLATIVE GOALS/THE POLICY GROUP DISCUSSION

In our effort to clearly and effectively communicate with members of the North Carolina General Assembly, it is desired by the Town to establish written goals that can be articulated by the agents working on the Town's behalf. The draft goals include: 1. Clarification of Use for Town Streets Rights of Way Use; 2. Flexibility in the Use of Ad Valorem Taxes to fund Water & Sewer Improvements; 3. Payment in Lieu of Taxes (Chimney Rock State Park); and 4. Loan from the NC General Assembly.

Steve and John Metcalf with The Policy Group were present via Zoom and discussed legislative goals. Mr. Baldwin provided an overview of the draft goals and Mr. John Metcalf stated that he sees opportunity with the four goals he presented.

Goal #1 - Clarification of Use for Town Streets Rights of Way Use - Mr. Baldwin mentioned that at some point the Town may wish to repurpose existing town streets rights of way (such as the Luremont Subdivision that never opened) and use for utilities or trails, etc., and try and get a local bill from the General Assembly to support this. Attorney Morgan noted that there are numerous streets which never opened that contain unusual language on the plats which states the developer maintains ownership of the streets. Mr. Steve Metcalf stated he would attempt to pursue this request and asked for help with the language.

Goal #2 - Flexibility in the Use of Ad Valorem Taxes to fund Water & Sewer Improvements - Mr. Baldwin noted that the Town is already among the highest in the State for utility rates and those rates may not be able to be increased further. Therefore the use of ad valorem taxes to move forward with items that are critical to the Town and State Park is something the General Assembly may wish to consider. Mr. Steve Metcalf felt that there is potential for this case to be made.

Goal #3 - Payment in Lieu of Taxes (Chimney Rock State Park) - Mr. Baldwin explained that Chimney Rock State Park was once a private park, owned by the Morse family who paid taxes to the Town. The Park was later purchased by the State which took tax revenue away from the Town. The Town, however, still provides emergency services to the Park because it is still located inside Lake Lure town limits. He further explained that the Park continues to buy large tracts of land inside Lake Lure town limits which takes away from tax revenue. He stated that if a direct appropriation was made to the Town, it would help make up for this loss in revenue. Mr. Steve Metcalf agreed to look into it; however, he did not believe the State provides impact aid. Mr. Baldwin relayed that the Town needs help replacing the revenues that disappeared when the Park purchased land inside town limits.

Goal #4 - Loan from the NC General Assembly - Mr. Wright explained that the concept is to match the cost of an infrastructure asset to its life cycle, which is already a precedence established by NC in the revolving loan program. He used the Dam as an example explaining that the life cycle of the Dam is 100+ years and Schnabel Engineering estimated the cost for replacement at around $65 million. The Town would ask for a special loan from the General Assembly for 65+ years and pay back $1 million a year (not including interest), which is what the Town can afford to pay back. This would show that the Town is trying to afford a new dam, which it cannot fund on its own. There is a life cycle to the Dam that exceeds 65 years and the concept would be to get a special loan instead of a grant. Mr. John Metcalf stated that this concept is similar to the housing loan program, which is essentially a loan on a stretched out term which never really impacts the recipient. Mr. Steve Metcalf did not believe the Town could borrow from the General Assembly but stated that he could discuss this with them. However, he mentioned that over time we might could join with other municipalities in lobbying to establish such a fund. Commissioner DiOrio commented that the notion and expectation from NC Dam Safety is that we move forward with a solution for the Dam. However, we do not have the tax base in order to move quickly down that path. He felt that this could be presented to the legislatures and be used as leverage. Mr. Steve Metcalf pointed out that NC Senator Ralph Hise is aware of and understands the Town's issues. Mr. Baldwin mentioned that the Town is trying to come up with innovate ways to get help with funding for enormous infrastructure costs. Mr. Steve Metcalf stated that he has added two additional goals: Direct appropriation as a fifth goal and obtaining federal monies as a sixth goal. Mayor Pritchett pointed out that there is an urgency to address the risk of the Dam. Mr. Wright noted that it has been expressed to Dam Safety the Town's desire to take action with the Dam. He stated that neither the Town nor Dam Safety wants to be in a position where a Dam Safety Order is issued. Mr. Baldwin asked that this information be put into talking points to send to the legislation and then to Council for review and Mr. Steve and John Metcalf stated they would put together all of the concepts. Mr. Baldwin reported that Town Council will be holding a special meeting on January 27th and Mr. Wright will be facilitating a presentation with Council to process and synthesize additional information about the Dam in order to take a formal position on rehabilitation versus new dam at the February meeting.

XI. CLOSED SESSION

Commissioner Patrick Bryant made a motion to enter into Closed Session in accordance with G.S. 143-318.11(a)(6) for the purpose of discussing personnel matters. Commissioner John Moore seconded and the motion carried 4-0.

During Closed Session, Council members and Town Manager Shannon Baldwin reviewed the Town Manager's performance evaluation, discussed the Pangaea contract, and discussed a legal matter involving Clifton Power.

Commissioner John Moore made a motion to return to open session. Commissioner David DiOrio seconded and the motion carried 4-0.

XII. ADJOURN THE MEETING

With no further business, Commissioner David DiOrio made a motion to adjourn the meeting at 8:09 p.m. Commissioner Patrick Bryant seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley

Michelle Jolley,
Town Clerk

Carol C. Pritchett

Mayor Carol C. Pritchett