

LAKE LURE TOWN COUNCIL REGULAR MEETING PACKET

Tuesday, February 9, 2021



**Mayor Carol C. Pritchett
Mayor Pro Tem John Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby**



REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL

February 9, 2021

5:00 p.m.

Meeting to be held electronically, via Zoom

AGENDA

- I. Call to Order
- II. Agenda Adoption
- III. Mayor's Communications
- IV. Town Manager Communications
 - Traffic Study Estimate
 - Cell Tower – Town Center
 - Public Works Site & Fence
 - Town Code Recodification Update
- V. Presentations
 - FY2019-2020 Audit Presentation - Martin-Starnes & Associates CPA, LLC
- VI. Council Liaison Reports and Comments
- VII. Public Comment: The public is invited to speak. Please keep comments limited to five minutes or less. If you wish to speak, wait for the Mayor to ask if anyone would like to make a comment and then unmute your phone or mic and state your name and address. Comments may also be submitted in writing to the Town Clerk, townclerk@townoflakelure.com, at least one hour prior to the meeting.
- VIII. Consent Agenda
 - A. Adoption of the January 7, 2021 Special Town Council Minutes, the January 12, 2021 Regular Town Council Minutes, and the January 27, 2021 Special Town Council Minutes.
 - B. Adoption of Resolution No. 21-02-09 Deputy Town Clerk
 - C. Approval of a Contract with Martin Starnes & Associates, P.A. to Audit Accounts
 - D. Appoint Mayor Carol Pritchett and Finance Director Sam Karr to the Lake Lure Fire Department Relief Fund Board

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February 9, 2021**

- E. Approval of Budget Amendment #297 - Overtime
- IX. Unfinished Business
- X. New Business
 - A. Request from Brian and Jenny Lail to Remove a Tree within the Lake Boundary
 - B. Dam Options Discussion and Decision
 - C. Adoption of Dredging Budget to Comply with Grant Received from NCDEQ
- XI. Closed Session in Accordance with G.S. 143-318.11(a)(3) for the purpose of discussing attorney client privilege or legal claims and with G.S. 143-318.11(a)(5) for the purpose of discussing property acquisition or employment contracts
- XII. Adjournment

Join Zoom Meeting

<https://us02web.zoom.us/j/81335291520>

Dial one of these numbers to join the meeting by phone:

+1 301 715 8592

+1 312 626 6799

+1 929 436 2866

Meeting ID: 813 3529 1520

IV

TOWN MANAGER COMMUNICATIONS

- Traffic Study Estimate
- Cell Tower – Town Center
- Public Works Site & Fence
- Town Code Recodification Update



Town Manager's January Report – Completed February 4, 2021

All Public Works Department personnel are continually busy reading water meters. Director Arrowood secured an estimate to do a traffic study for crosswalk at ABC Store. He will have estimates for fencing the Public Works yard shortly. Director Arrowood knows how to solve problems! The Town and LaBella continue to refine the Sewer ER/EID and SOC documents in cooperation with DEQ. We believe the ER/EID will be complete end of March.

Community Development Department is beginning to pick-up speed issuing permits while spreading out the workload now that Mike Williams is onboard. Assistant Community Development Director Anderson did a great job holding the fort until the new hire was made. Per ACDD Anderson, the Department issued approximately 100 more permits than last year than the year before. This represents a 30% increase for 2020 compared to 2019. Wow!

The Fire Department averaged slightly less than one call per day during the month of January for a total of twenty (27) calls. Fire Fighters remained on standby as the hydroelectric penstock was inspected, and the guys are now well into their dive rescue training classes. They do amazing work!

The Police Department has started inservice training. It made no arrests, issued three (3) citations, performed three (3) traffic stops and had two (2) noise complaints during the month. Overall activities were down in January. These guys keep us safe!

Finance Director Karr reports we are in good shape relative to revenues collected and rate of expenditures for the month of January. He has been assisting with budget development matters as we kick-off another budget development process. Lately Sam has been focusing on developing our CIP. We will share a draft with you next week. Nice work, Finance!

During the month of January, Dam & Hydro Director Lindsey and crew generated \$63,354.91 for the Town. This is above our estimates. As was said last month, "We are witnessing much better production and improvements long over due in this Department." I can't say this enough!

Our Communications Specialist Laura Krejci continues to stay on top of FaceBook, website news, grants, and special events. The Town has never had this level of successful communication outreach since I have been onbaord. Laura is doing a great job for us!

Parks, Recreationa and Lake Department remains busy with recreation, trail maintenace and lake activities. Director Givens and Dana Bradley hit a homerun with the dredging grant they secured for the Town. Hats off as we bow to both. So glad Dana is with us. They are a great team!

January Activities

- Weekly Meeting w/LaBella, 1/5
- Budget Workshop, 1/7
- Weekly Meeting w/LaBella, 1/12
- Attended Town Council Meeting, 1/12
- Met with HR to discuss WR Report, 1/15
- Met with ATT, Commissioners Bryant & Diorio, and Staff to discuss Tower, 1/15
- Had lunch with Town Engineer, Mayor, DEQ to discuss sewer, 1/15
- Attended Meeting in CRV Ribbon Cutting, 1/21
- Teleconference with NCLM Attorney to discuss Burnt Ridge Road, 1/22
- Meeting with Amy & Laura to discuss performance appraisal form, 1/22
- Weekly Meeting with LaBella, 1/26
- Attended Workshop on Dam, 1/27
- Met with HR to discuss WR Report implementation, 1/27
- Held meeting at PRLD Building to discuss Deep Water Access Ramp for Dredging, 1/28

C. Shannon Baldwin 2/4/21

Town Manager

Date



NAME: Assistant Community Development Director, Mitchell Anderson Development and Environmental Review Specialist, Michael Williams	DEPARTMENT: Community Development
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REPORT DATE: February 1, 2021	PREPARED FOR Town Manager/Town Council
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I. REOCCURRING WORK ACTIVITIES

1. Zoning Administration/Code Enforcement

Certificate of Zoning Compliance Issued	7
Certificates of Zoning Compliance Denied	0
Certificates of Occupancy Issued.....	6
Vacation Rental Operating Permits Issued.....	1
Permanent Sign Permits Issued (1) Temporary (0)	1
Complaints Logged	0
Complaints Investigated	0
Notices of Violation Issued	0
Civil Penalties Issued	0
Stop Work Orders Issued.....	4
Improperly Posted Address Notifications Issued	0
Abandoned/Dilapidated Structures Cases Open.....	0 (0 closed by demo)
BOA Hearings Processed	1
Demolition Permits Issued	0
VROPs Active to Date.....	378

2. House/Modular/Heavy Load Moves Through Town..... 0

3. Environmental

Land Disturbance Permits Issued.	7
Complaints Logged	2
Complaints Investigated	2
Stop Work Orders Issued.....	1
Floodplain Development Permits Issued.....	6

4. Lake Structures/Shoreline Stabilization

Lake Structure Permits Issued	4
Shoreline Stabilization Permits Issued	0
LSAB Hearings Processed	1

5. Subdivision Administration

Preliminary Plat:	0
Final Plat	7
Minor Subdivisions:	0
Exempt Plat Reviews:	7

Lots Approved	0
Review Officer (per GS 47-30):	
Plats Reviewed:	2
Plats Approved:	2

II. PROJECTS UPDATE

Review of Town Ordinances on Vacation Rental Operating Permit– CDD staff have reviewed UNC SOG documents evaluating the impacts of a Superior Court Judge’s decision to strike down the city of Wilmington’s whole-house lodging ordinance on short term rentals. This decision may impact the Town’s vacation rental ordinance. A memo on this topic was provided to the Zoning and Planning Board. **Update:** The Zoning and Planning Board has reviewed the information and have requested advice from the Town’s attorney on the matter. Staff are currently waiting for any appeals of the decision.

Phase 1 Sewer Database and Map – CDD staff have compiled parcel data, street data, sewer customer data, and topographic data. This data has been analyzed for topographic and geographic relevance to Phase 1 of the sewer system. Maps and data layers are being updated to reflect changes in project scope to align with information released by engineering firms. **Update:** Current maps have been shared with the Town’s engineer.

Sedimentation into Lake/Water Quality Concerns; subwatershed 5-Grey Logs Cove and the Highlands Subdivision —

The Town, at the advice of our attorney, has agreed to hold Civil Penalties in abeyance for the opportunity for all parties to meet.

Amy Annino with the State of NC, Brandee Boggs with USACE, Pete Dickerson with Odom Engineering, Clear Water Environment Consultants, and Highlands HOA have met at the upper road failure site on 02/26/2020. Odom Engineering, as a consultant for Highlands HOA, provided the Town with plans. Staff coordinated and reviewed plans with Amy Annino from NCDEQ and Brandee Boggs from the USACE to ensure all regulations measures are satisfied. Plan revision requests and comments were sent to Pete Dickerson with Odom Engineering on 04/02/2020. Town staff have reviewed the revised plans submitted by Odom Engineering. NCDWR, USACE, and Town Staff have approved the revised plans and have released permits to the applicants. Frequent inspections will be conducted to ensure compliance with Town and State Regulations are maintained throughout the project’s phases.

CDD staff have received plan revisions from Odom Engineering for the upper slope failure repair. Plans have been shared with DWR and USACE for their comments or concerns. CDD staff are currently waiting for a response from the two agencies. **Update:** Staff have reviewed the plan revisions and have assisted with creating comments with NCDEQ and USACE. NCDEQ is currently drafting these comments and will provide these to the application.

N.C. G.S. 160D – North Carolina passed new statues that effect how local municipalities can regulate land use. These updates will become effective on July 1, 2021. CDD staff have been following UNC School of Government updates on these changes and how they impact current ordinances. CDD staff will identify potential conflicts in the Town ordinances, create proposed corrections, and submit these proposed corrections to the Town’s attorney before releasing them to the Zoning and Planning board for review and consideration. CDD staff are currently combing through the Town’s ordinances, identifying required changes to comply with G.S. 160D. Staff has requested a quote

from Isothermal Planning and Development Commission to provide the CDD assistance with completing the 160D update by July 1, 2021. **Update:** Staff has received a preliminary audit of the Town's Ordinances identifying the area's requiring text amendments to comply with G.S. 160D. Staff will continue working with IPDC to complete this project.

Town Policy for Compliance with Title VI of the Civil Rights Act of 1964 – Town Staff has contacted Ashley Council, Title VI Officer/ ADA Specialist with North Carolina Department of Transportation/ Office of Civil Rights [accouncil@ncdot.gov]. With assistance from Amy Wright and the use of examples from other jurisdictions, the CDD Staff have created a non-discrimination policy that satisfies the requirements for Title VI. This document will be shared with William Morgan for review. Once reviewed and approved by Mr. Morgan, an adoption resolution and document will be presented to Town Council. A copy of the drafted Title IV was shared with Isothermal Planning & Development Commission for comment. Staff are currently working on incorporating their recommendations.

Update: Requests for access to the survey of compliance have been submitted to NCDOT. Staff are currently waiting for a response.

III. OTHER

In addition to the projects listed above, there are a few things that have required significant focus from the Community Development Department:

- 1) CDD staff have provided technical expertise required to host three meetings via Zoom this month. Staff also recorded, edited, and published two meetings and four videos for viewing by the general public. This task required staff time for setup, hosting and monitoring during the meetings, and for post-production and publishing after the meetings.
- 2) Staff have been attending meetings with Advance Data & Networking Solutions to collect information about their restructuring, as it impacts their services provided to the Town. Staff also took the opportunity to request long term goals and performance standards from ADNS. ADNS have provided a list of current computers and identified devices they recommend replacing. A request for ADNS to track ping with the use of their ping plotter server. This will identify lag within the Town's internet service. ADNS was tracking downtime within the network, but smaller delays and drops in connectivity were not captured. CDD staff are waiting for the results.

Update: No update at this time.

3) Staff Training/ Updates

- a. Mitchell Anderson, the Assistant Community Development Director has attended required training courses to secure the NCCZO Certification and NCCFPM Certification. In June 2020, Mitchell pass the required NCCZO exams and is a Certified Zoning Official in North Carolina. Pandemic related delays have postponed progress towards satisfying NCCFPM Certification requirements.
- b. Mike Williams, the new Development and Environmental Review Specialist is receiving in-house training on Town ordinances and procedures. In house training will continue over the next few months.
- c. Short training sessions on utilizing Zoom to hold advisory board meetings have been provided to board clerks. CDD staff continue to provide auxiliary assistance as needed.

- d. Meeting assistance was provided to the ABC board to ensure connectivity over zoom for the January meeting. Auxiliary training was also provided to 2 board members.

Overall, the Community Development Department is working towards completing larger projects while focusing on current permitting demands, and training new department staff. The CDD has been issuing an increase number of Stop Work Orders and starting enforcement cases. This is coinciding with the lake drawdown and is a trend that was also experienced in previous years.

A handwritten signature in black ink, appearing to read "Mitchell Anderson", with a stylized, flowing script.

Mitchell Anderson,

Assistant Community Development Director

Town of Lake Lure

59%



Monthly Financial Summary Report as of: 1/31/2021

Revenues in excess of Expenditures

General Fund					General Fund					General Fund	
	Annual	Month	Annual	Y-T-D %		Annual	Month	Annual	Y-T-D %	Annual Budget	0
Revenues:	Budget:	To Date:	To Date:	Collected	Expenditures:	Budget:	To Date:	To Date:	Spent	Month To Date	\$ 351,125
Taxes	\$ 3,511,722	\$ 608,258	\$ 2,746,647	78.21%	Governing Body	\$ 32,300	\$ 3,840	\$ 16,540	51.21%	Annual To Date	\$ 987,225
State Shared Revenues	\$ 2,511,788	\$ 107,513	\$ 1,104,994	43.99%	Administration	\$ 1,003,897	\$ 73,311	\$ 584,854	58.26%		
Lake & Tours	\$ 673,550	\$ 41,445	\$ 220,022	32.67%	Central Services	\$ 99,300	\$ 7,938	\$ 51,833	52.20%		
Beach & Marina	\$ 316,500	\$ 81,957	\$ 324,617	102.56%	Police	\$ 826,340	\$ 56,861	\$ 494,020	59.78%		
*Miscellaneous Revenues	\$ 144,207	\$ 3,213	\$ 103,489	71.76%	Fire	\$ 902,434	\$ 45,647	\$ 589,054	65.27%		
Land Use Fees	\$ 27,600	\$ 3,005	\$ 19,862	71.96%	Sanitation	\$ 229,400	\$ 18,932	\$ 132,750	57.87%		
Loan Proceeds	\$ 146,500	\$ -	\$ -	0.00%	Public Works	\$ 511,652	\$ 34,149	\$ 278,394	54.41%		
Transfers	\$ 181,458	\$ -	\$ -	0.00%	Economic Development	\$ 105,417	\$ 5,394	\$ 48,211	45.73%		
Total:	\$ 7,513,325	\$ 845,391	\$ 4,519,631	60.15%	Community Development	\$ 202,788	\$ 15,525	\$ 86,902	42.85%		
*Miscellaneous Revenues Interest, Beer & wine, Fire Tax, ABC Facilities Rentals, Grants, Sale of Assets, Misc., Town Promo, Copies Recycling Collections Received-Not Posted Yet					Beach and Marina	\$ 17,500	\$ 1,057	\$ 4,291	24.52%		
					Golf	\$ 106,000	\$ 40,160	\$ 100,480	94.79%		
					Parks, Rec., Lake	\$ 910,555	\$ 113,069	\$ 522,711	57.41%		
					Capital Outlay	\$ 1,359,288	\$ 8,842	\$ 317,222	23.34%		
					Debt Service	\$ 333,062	\$ 69,541	\$ 160,036	48.05%		
					Non Governmental	\$ 158,500	\$ -	\$ 145,108	91.55%		
					Transfers	\$ 529,181	\$ -	\$ -	0.00%		
					DAMWatershed	\$ 185,711	\$ -	\$ -	0.00%		
					Contingency Reserve	\$ -	\$ -	\$ -	#DIV/0!		
					Total:	\$ 7,513,325	\$ 494,266	\$ 3,532,406	47.02%		

Water & Sewer Fund					Water & Sewer Fund					Water & Sewer Fund	
	Annual	Month	Annual	Y-T-D %		Annual	Month	Annual	Y-T-D %	Annual Budget	\$ -
Revenues:	Budget:	To Date:	To Date:	Collected	Expenditures:	Budget:	To Date:	To Date:	Spent	Month To Date	\$ (53,140)
Water & Sewer charges	\$ 1,540,000	\$ -	\$ 866,604	56.27%	Water	\$ 138,925	\$ 9,907	\$ 83,905	60.40%	Annual To Date	\$ 310,410
Taps & Connection fees	\$ 10,000	\$ -	\$ 2,244	22.44%	Sewer	\$ 678,425	\$ 44,263	\$ 491,913	72.51%		
Interest & Transfer Fees	\$ 7,750	\$ -	\$ 14,039	181.15%	Capital Projects	\$ 206,000	\$ -	\$ -	0.00%		
Water Tank Rental	\$ 12,360	\$ 1,030	\$ 7,210	58.33%	Debt Service	\$ 128,975	\$ -	\$ 3,869	3.00%		
Transfer from Fund Balance	\$ 133,658				Transfer to Fund	\$ 551,443	\$ -	\$ -	0.00%		
Total:	\$ -	\$ -	\$ -	#DIV/0!	Total:	\$ 1,703,768	\$ 54,170	\$ 579,687	34.02%		
	\$ 1,703,768	\$ 1,030	\$ 890,097	52.24%							

Hydro Electric					Hydro Electric					Hydro Electric	
	Annual	Month	Annual	Y-T-D %		Annual	Month	Annual	Y-T-D %	Annual Budget	\$ -
Revenues:	Budget:	To Date:	To Date:	Collected	Expenditures:	Budget:	To Date:	To Date:	Spent	Month To Date	\$ 37,504
Power Generation	\$ 600,000	\$ 63,428	\$ 475,152	79.19%	Operations	\$ 555,600	\$ 25,924	\$ 195,138	35.12%	Annual To Date	\$ 101,766
Interest	\$ 1,500	\$ -	\$ 47	3.13%	Transfer to General Fund	\$ -	\$ -	\$ -			
FEMA Reimbursement				#DIV/0!	Transfer to Silt Fund Reser	\$ -	\$ -	\$ -	#DIV/0!		
Transfer from Fund Balance	\$ 188,375	\$ -	\$ -	0.00%	Cap. Outlay/Special Proj.	\$ 234,275	\$ -	\$ 178,295	76.11%		
Total:	\$ 789,875	\$ 63,428	\$ 475,199	60.16%	Total:	\$ 789,875	\$ 25,924	\$ 373,433	47.28%		

Cash & Investment Position			Capital Funds			Comments / Items of note		
United Bank								
General Fund	\$	3,750,011	Capital Res. Fund			Balance to Date		
Water & Sewer	\$	766,536	Silt Res. Fund			\$ 179,532		
Includes Low Pressure			Marina Brdwa			\$ 64,265		
Hydro	\$	239,100	Bridge Pres. Fund			\$ 22,849		
Total:	\$	4,755,647				\$ 75,000		
NC Capital Management Trust								
General (Cash)	\$	159,330						
Water & Sewer	\$	358						
Hydro	\$	(3,714)						
Total:	\$	155,974						
Total Cash and Investments:	\$	4,911,621						



Dean Givens; Parks, Recreation, and Lake Director

DEPARTMENT: Parks, Recreation, and Lake

REPORT DATE:

January 29, 2021

PREPARED FOR:

Town Manager

I. ACCOMPLISHMENTS

Current Parks, Recreation, and Lake Projects:

1. Boy's Camp Rd. Campground – <i>Not selected for PARTF funding – Reapplying during next grant cycle</i>	2. Luremont Trails – <i>Trail scouted; permits filed; Plan approved by Parks and Rec. Board, legal opinion received; next steps being discussed</i>	3. Marina Phase II and Amphitheater Funding – <i>Working with TDA/ Rutherford Bound to keep projects moving forward</i>
4. Monetization Schedule for P&R Assets and Facilities – <i>New ideas being considered</i>	5. SOP for PR&L Maintenance – <i>Complete</i>	6. Morse Park Walking Path Expansion Grant – <i>To expand the pavement back to town hall</i>
7. Landscaping at Boardwalk/Marina – <i>Large trees and shrubs have been installed</i>	8. CRSP Ingress/Egress – <i>Meetings planned to discuss how this is going to be done</i>	9. Seeking Grants for Buffalo Creek Park parking lot expansion
10. Permit for Filling in Half of Pond in Morse Park – <i>According to the Morse Park master plan</i>	11. Deep Water Launch – <i>Create for allowing equipment to launch during lake drawdown</i>	12. Morse Park Parking Expansion – <i>Working on plan to create more parking</i>
13. Naming Rights – <i>Working to establish policy</i>	14. Grant for Dredging – <i>Awarded \$637,500</i>	15. Golf Course Plan – <i>Golf Course study</i>

PR&TC ACTIVITIES:

1. Attended Basic Law Enforcement Training 5 nights a week
2. Continued working on initial packet for RHI Legacy Foundation grant for potential funding for BCP parking lot expansion and, possibly, the pedestrian bridge for the Luremont Trail.
3. Checked Buffalo Creek Park, Dittmer-Watts Nature Trails, and Weed Patch Mountain for damage
4. Organized Dittmer-Watts Nature Trail workday on 1/12 to remove fallen trees – 5 volunteers; 15 volunteer hours
5. Recruited volunteers to clear 2 fallen trees from Saddlewood emergency access for the Weed Patch Mountain Trail on 1/14 – 2 volunteers; 10 volunteer hours
6. Recruited volunteer to do a inspection of the Buffalo Creek Park trail in preparation for the upcoming workday – 1 volunteer; 4 volunteer hours
7. Organized Buffalo Creek Park workday on 1/19 to remove a fallen tree, blow leaves from the extension, and repair eroded areas – 5 volunteers; 25 volunteer hours
8. Recruited volunteer to inspect signage at Buffalo Creek Park and make repairs on 1/26 – 1 volunteer; 2 hours
9. Helped with layout for marina landscaping; smaller plants being installed soon
10. Planned upcoming trail maintenance days and recruited volunteers to help
11. Updates/revisions are in progress for the Lake Lure Naming Rights Policy
12. Checked trails counters
13. Recruited volunteers to collect water samples – 2 volunteers; 14 volunteer hours
14. Utilized a total of 70 volunteer hours
15. Attended several meetings

P&R Maintenance Activities:

1. Performed regular ground maintenance activities at all areas
2. Cleaned parks, boat ramp, and marina
3. Put out shoreline information banners
4. Took down Christmas decorations
5. Helped install marina landscaping materials
6. Began installation of landscape beds at Washburn Marina and south end of boardwalk
7. Completed SOP
8. Sprayed playground equipment and picnic tables with bleach

Lake Activities:

1. Dredging
2. Sewer line location

I. FOLLOW UP

1. Luremont Trail: Plan has been approved by Parks and Recreation Board; legal opinion received; next steps being discussed
2. Boys Camp Road: We were not selected for PARTF funding this year; reapplying in 2021
3. Dredging Grant: \$637,500 grant awarded, working to finalize budget
4. Naming Rights Policy: Continuing to gather information for Naming Rights Policy for Town properties
5. Lake Lure Trails: Work days held on Lake Lure trails each month to ensure they are properly maintained

Town of Lake Lure Hydroelectric Plant Monthly Report



January Report 2021

Contents:

1. Revenue
2. Gen Run Time
3. Lake Levels/Gates
4. Significant Weather Events
5. Scheduled Maintenance and Improvements

1. Revenue

Top 5 Months Revenue			
Rank	Year	Month	Revenue
1	2016	January	\$124,215
2	2013	July	\$114,057
3	2013	August	\$109,521
4	2019	January	\$108,199
5	2019	February	\$107,935

2020 Budget Year Revenue		
July	577,540 Kwh	\$48,599.59
August	795,732 Kwh	\$63,539.87
September	1,025,676 Kwh	\$72,635.46
October	1,111,524 Kwh	\$70,302.00
November	1,320,591 Kwh	\$75,250.00
December	980,440 Kwh	\$80,561.96
January	865,620 Kwh	\$63,354.91
February		
March		
April		
May		
June		
Total:		\$474,243.79

Blue Highlights are current revenue

Red Highlight off Peak Months

- Revenue. [\$63,354.91]
- Kilowatts Produced.[865,620 Kwh]

2. Gen Run Time

Big Unit: 120 hours (est)

Small Unit: 96 hours (est)

3. Lake Levels

- Full Pond: **24**
- Min Recorded Lake Call in Level: **169.39**
- Max Recorded Lake Call in Level: **35.67**
- Max Gate Opening: **36 inches**
- Min Gate Opening: **0 inches**

4. Significant Weather Events and Rain Accumulation

- Several small storms have come through our watershed. None of these storms had a significant impact on our watershed or resulted in the gates needing to be lifted. We started dropping the lake in preparation of a severe storm on 12/31. The storm shifted and had less impact than anticipated with a total accumulation of 1.63 inches of rain over three days (12/31 – 1/2). We rebounded to 36 inches on 1 Jan 2021 to start our scheduled descent starting on 04 Jan 2021.

5. Scheduled Maintenance and Improvements

- Mud dauber nest removal from the ceiling of the power house.
- Mud dauber nest removal from the hoist.
- Prep interior of the power house for painting.
- General Maintenance on both turbines.
- Cleaned and inspected penstock grating.
- Lake level pressure transducer cleaned.
- Vegetation removed from around the boom barrier connection for better access and dispose of unusable sections of boom material.
- Inspected Wicked Gates for proper operation.
- Made all preparations for opening and inspection of penstock Quakewrap.
- Gen #2 (Big Unit) is shorted out due to high humidity and dirt buildup. In process of cleaning and testing. If cleaning and testing are not successful, we will remove rotor for more in-depth cleaning and inspection to identify source of ground.
- Rebuilt 2 chemical feed pumps for WWTP.
- Removed some of the bad sections from the Boom in front of Dam.
- Replaced forced air heater in Chemical Room at WWTP



Name: David Arrowood

Department: Public Works

REPORT DATE:

January 31, 2021

PREPARED FOR:

Town Manager

I. ACCOMPLISHMENTS

1. We unstopped culvert on Boys Camp Road that could have washed road out.
2. We made repairs to several Manholes and Sewerlines during Lake Drawdown.
3. I got the Bridge department to give use some bridge timbers to use on Boys Camp Road. Material the Town didn't have to purchase.

II. FOLLOW UP

1. Contacted DOT for a list of Traffic Enginners to study Crosswalk.
2. We had meetings with WR about Water Interconnect
- 3.

III. OTHER

1-4-21 We worked on Shoulders of Boys Camp Road.

1-5-21 We Worked at Guardrail on Boys Camp stabilizing shoulder at Guardrail.

1-6-21 Replaced a sign at Town Limits that was knocked down during a wreck.

1-6-21 We worked on putting on Snow plows and spreaders for possibly snow.

1-6-21 We put new tires on back of dump truck.

1-6-21 We removed big stump in median next to Lake Lure Inn.

1-7-21 We worked getting things ready for snow.

1-11-21 We checked and cleaned Flow Meter from Chimney Rock Village.

1-11-21 We worked with Tim Edwards trying to locate Sewr lines in the river.

1-12-21 We finished putting timbers in Guardrail and building shoulder on Boys Camp Road.

1-13-21 We worked on Manholes while lake is down.

1-14-21 We checked a broken sewer line at 189 Sunset Cove. Linda contacted homeowner and told them to fix line. It has been repaired.

1-14-21 Repaired manhole on Fisher Court.

1-15-21 We took engineers out on lake to look at sewer project.

1-18-21 We took Contractors out to look at Sewer Project.

1-19-21 We replaced backflow flaps in pumps at Pump Station. Pumps are a lot easier to prime now.

1-19-21 We took Contractors out to look at Sewer Project. Also on 1-20-21.

1-21-21 We made repairs to manhole #65 today.

1-21-21 We had a meeting about Firefly Booster Station.

1-21-21 I contacted DOT about Ditches across 64 from Town Hall.

1-21-21 We dug up Water line at Fire Fly Cove to verify size for Engineers for booster station.

1-21-21 Checked sewer line at 197 Hawthorne Drive, it's a old line.

1-22-21 We fixed a broken Sewer line off Hawthorne.

1-26-21 We changed batteries in non working speed sign on Boys Camp Road. Its now working.

1-26-21 I attended weekly Sewer Project Meeting.

1-27-21 We found a broken sewer line at 124 Lake blvd. Homeowner is going to repair. Repairs have been made.

1-27-21 We removed old not used sewer lines from shore lines. We get call every year thinking these lines are active.

1-28-21 I took Motorgrader out to river at Morris Park and fixed road where Tim Edwards hauled gravel.

1-29-21 We inspected and sealed a manhole at 271 Lakeview Road. Homeowner was complaining about smell.



NAME: SEAN HUMPHRIES

Department: LAKE LURE POLICE DEPT

REPORT DATE:

2/1/2021

CLOSE OUT MONTH:

January 2021

PREPARED FOR:

Town Manager

I. ACCOMPLISHMENTS

- 1. We are bringing in a Reserve Officer who worked for LLPD years ago and then transferred to RCSO. He's completed his Fire Arms Testing and will be completing his lateral transfer shortly.**
- 2. Officers have already began their 2021 In Service Training by completing two classes. The State will release new classes periodically allowing officers to complete their training in a much timelier manner.**
- 3. January was as usual a slower month with reduced traffic in town and vacation rentals which generated less calls for service.**

II. OTHER

Total Police Activities for Month: (Partial Break-down below)

0	Breaking/Entering/Larcenies	3	Traffic Stops
3	Citations	1	Warning Citations
1	Verbal Warnings	3	Accidents
0	Total Arrests	45	Business Checks
1	Lake – Patrols/Permit Checks	1	Lake – Total Hours Patrolling
0	Motorcycle Mufflers Checked	6	Residential Alarms Activated
1	Follow up Investigations	0	Special Event/School/Town/Chamber
0	Roadside Checkpoints	2	Noise Complaints

Citations – Cumulative Total of Citations: (Hard Copies) (1 Citation may include 2 charges) (2) Other Misdemeanors, (1) Driving While License Revoked

Charges Total:

Arrests – Cumulative Total of Arrests: (1 Arrest may include several charges) NO ARRESTS

Charges Total:

** Public Access of this form may affect the Accomplishments and Follow Up listings due to privacy and cases that continue to be investigated.*



Name: Dustin Waycaster

Department: Fire

REPORT DATE:

February 3, 2021

PREPARED FOR:

Town Manager

I. ACCOMPLISHMENTS

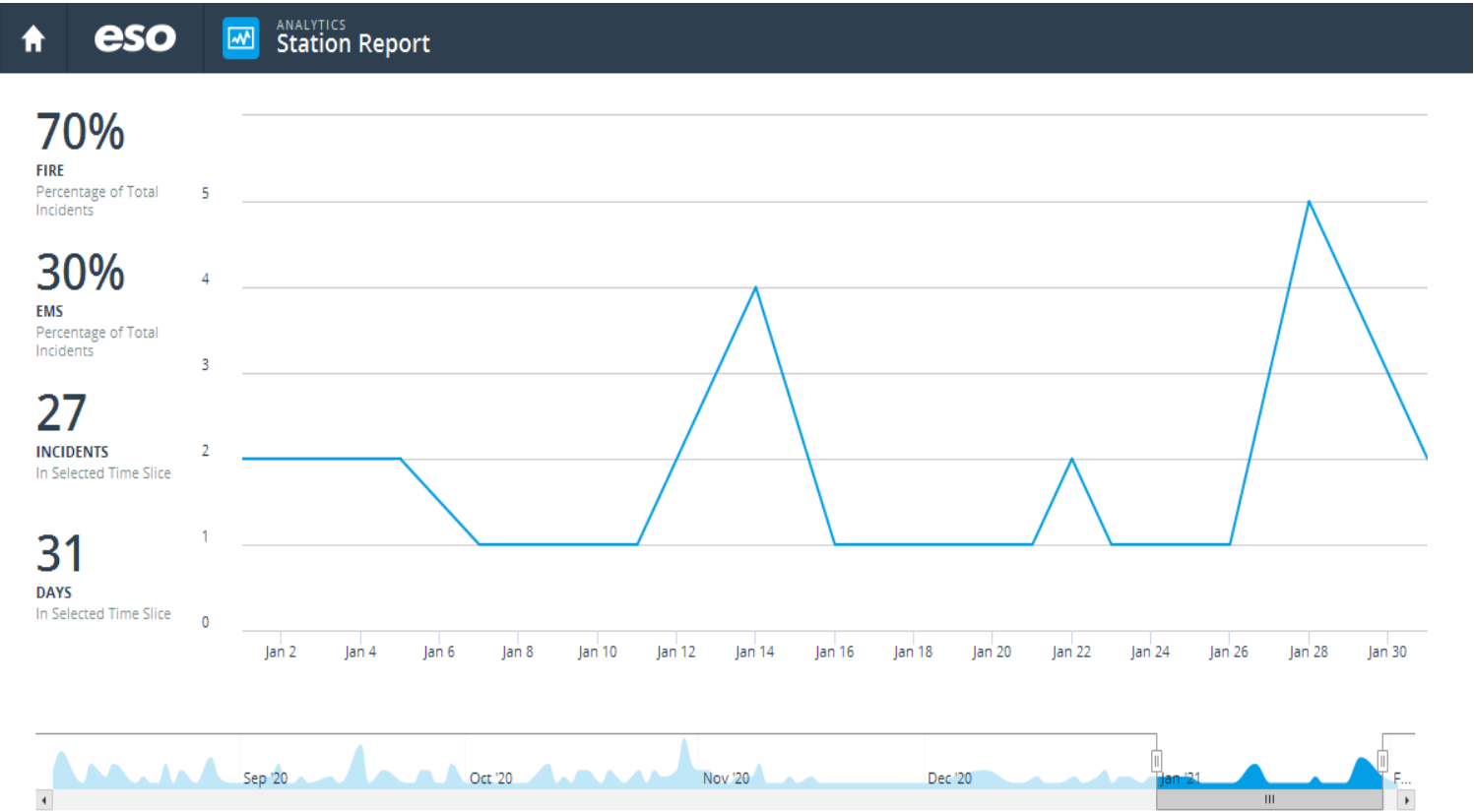
- 1/1 New Year (replaced battery in station generator)
- 1/2 Fire Investigation call behind Ingles. Fireworks inspection and Stand-by @ Morse Park.
- 1/4 Monitored Fire Boat Due to Lake draw down.
- 1/5 Public assistance call @ ingles. Also had a lock out @LLCA. LLFD dive training class.
- 1/6 Winter storm prep. Follow-up on a smoke detector install at Vista Apartments.
- 1/7 Sharpened and oiled all chainsaws for winter storm prep. Also prepped tire chains for all the Engines.
- 1/8 Worked on certifying Fire, Rescue, and EMS rosters for our members. Checked / Maintenance performed on report rosters. Maintenance performed on all our Shift water rescue dry suits.
- 1/9 Dive Rescue Class for town staff.
- 1/10 Ran an overdose call on Memorial Hwy.
- 1/11 Confine Space Permit and stand-by at the Dam.
- 1/12 Confine Space Permit and Stand-by at the Dam
- 1/13 Confine Space Permit and Stand-by at the Dam.
- 1/14 Employee staff meeting, AEMT in-service, and Confine Space Stand-by at the Dam, Public Assist @ 418 Chapel Point (sewer access hole covered by down tree. Lake Lure Fire staff removed the hazard.) Business/Training Meeting with all members of Lake Lure Fire. Debris in the Roadway on Memorial Hwy, Illegal burn on Pearson Cir.
- 1/15 Turnout Gear Maintenance. AEMT final test for four of our staff. Gathered lifejackets for the sewer inspection.
- 1/16 Dive rescue class for town staff. Public Assistance call on Rambo Ct.
- 1/18 Air-Pac maintenance.
- 1/19 Smoke Investigation Gene Stratton Porter Rd.
- 1/20 Maintenance on Zodiac Rescue Boat. Forcible entry class at SVFD.
- 1/21 Call @ Morse Park for subjects stuck in the lake bed mud. Removed the tree hazard at the Boat House hazard above the service line.
- 1/22 Tree down hazard on Memorial Hwy
- 1/23 Dive rescue class for town staff.

- 1/24 Air monitoring assistance at the Dam.
- 1/25 Forcible Entry Training/Cert Class at SVFD. Mulch fire Whitney Blvd.
- 1/26 Annual Air-Pac servicing. This was for FMVFD/ CRVFD/ LLFD. Medical call on Memorial Hwy
- 1/27 Fire Extinguisher Inspections for all town owned and operated areas.
- 1/28 Three calls for service. Tree Down on Washburn Rd/ Water Leak on Fisher Ct. was able to cut source off and reported the leak/break to public works. / Laceration call Lure Ridge.
- 1/29 Put warning signs up around Morse Park to keep people off the lake bed.
- 1/30 Winter storm prep.
- 1/31 Structure Fire mutual aid to Polk Co. / MVC on Buffalo Creek Rd.

II. FOLLOW UP

- 1. Lake Lure Fire had 355 total hours of training for the month of Jan.
- 2. Lake Lure Fire ran 27 Fire/Medical/ Rescue calls
- 3. Wrote 43 Burn permits.

III. OTHER



Name: Laura Krejci

Department: Communications\Events\Grants

REPORT DATE: JANUARY 31, 2021

PREPARED FOR: TOWN MANAGER

I. ANALYTICS

1. Facebook Analytics

a. Posts:

Published	Post	Type	Targeting	Reach	Engagement
01/30/2021 5:10 PM	 WINTER WEATHER UPDATE 1/30/21: It's already snowing in the			1.9K 	67 34 
01/29/2021 6:24 PM	 1/29/21 COVID-19 UPDATE: There have now been (148) Total Positive			1K 	44 8 
01/29/2021 5:53 PM	 THE LAKE IS RISING...but not quite as quickly as we hoped. If you have			1.9K 	83 76 
01/29/2021 5:33 PM	 DANGER - KEEP OUT OF THE LAKEBED: Last week, the Lake Lure			5.8K 	594 198 
01/29/2021 5:19 PM	 WINTER STORM POSSIBLE ACROSS WESTERN NC-			2K 	89 74 
01/29/2021 4:23 PM	 A MESSAGE FROM OUR MAYOR - VACCINE UPDATE , RESOURCES			878 	53 12 
01/28/2021 6:52 PM	 COVID-19 VACCINE INFORMATION: According to the			837 	48 4 
01/28/2021 6:38 PM	 NC Extends Modified Stay At Home Order to Slow the Spread: On			923 	30 3 
01/28/2021 6:22 PM	 1/28/21 LAKE DRAWDOWN - BACKSHORE SURVEY			2.1K 	124 48 
01/28/2021 11:40 AM	 SEND US YOUR PHOTOS: The Town of Lake Lure, NC is refreshing			901 	15 27 
01/27/2021 6:37 PM	 1/27/21 COVID-19 UPDATE: There have now been (143) Total Positive			804 	11 2 
01/27/2021 3:30 PM	 WEATHER SERVICE ANNOUNCEMENT 1/27/21: A cold			1.3K 	20 12 
01/26/2021 6:52 PM	 NEW OPTIONS FOR PAYING YOUR UTILITY BILLS: The Town of			743 	2 3 

1. Facebook Analytics

a. Posts: Continued

Published	Post	Type	Targeting	Reach	Engagement
01/26/2021 12:01 PM	 EMPLOYMENT OPPORTUNITY: The Town of Lake Lure, NC is			1.2K 	30 7 
01/25/2021 6:59 PM	 1/25/21 COVID-19 UPDATE: There have now been (140) Total Positive			863 	11 1 
01/22/2021 1:30 PM	 1/22/21 COVID-19 UPDATE: There have now been (135) Total Positive			995 	35 3 
01/20/2021 6:02 PM	 1/20/21 COVID-19 UPDATE: There have now been (136) Total Positive			829 	7 1 
01/20/2021 5:38 PM	 1/20/21 LAKE DRAWDOWN UPDATES - SEWER SYSTEM			1.6K 	112 23 
01/20/2021 1:02 PM	 FREE COVID-19 TESTING REMINDER: Free drive thru COVID-			612 	0 1 
01/19/2021 4:54 PM	 1/19/21 COVID-19 UPDATE: There have now been (134) Total Positive			817 	22 2 
01/19/2021 3:48 PM	 LAKE DRAWDOWN UPDATES - DREDGING PROGRESS REPORT:			2.3K 	292 45 
01/18/2021 9:30 AM	 FEDERAL HOLIDAY - MONDAY, 1/18/21: The life and legacy of civil			776 	2 8 
01/18/2021 9:24 AM	 LAKE DRAWDOWN UPDATES - DREDGING PROGRESS REPORT:			834 	2 16 
01/14/2021 7:45 PM	 LAKE DRAWDOWN UPDATES - PROGRESS REPORT: The Town of			1.6K 	92 25 
01/14/2021 5:42 PM	 1/14/21 NC Department of Health and Human Services Updates: 1.			1.1K 	57 6 
01/14/2021 5:12 PM	 1/14/21 COVID-19 UPDATE: There have now been (125) Total Positive			744 	9 3 
01/13/2021 5:50 PM	 1/13/21 COVID-19 UPDATE: There have now been (124) Total Positive			791 	5 1 
01/13/2021 11:58 AM	 1/13/21 FOOTHILLS HEALTH DISTRICT VACCINATION UPDATE:			1K 	61 10 
01/12/2021 8:56 PM	 PARDON OUR PROGRESS - OUR SHORELINE IS SHOWING: If you			1.5K 	114 19 
01/11/2021 4:38 PM	 1/10/21 FOOTHILLS HEALTH DISTRICT VACCINATION UPDATE:			1K 	43 14 

1. Facebook Analytics

a. Posts: Continued

Published	Post	Type	Targeting	Reach	Engagement
01/11/2021 4:07 PM	 1/11/21 COVID-19 UPDATE: There have now been (119) Total Positive			1.3K 	74 12 
01/11/2021 11:22 AM	 REMINDER: The next Lake Lure Town Council meeting is scheduled			791 	6 1 
01/08/2021 12:55 PM	 1/8/21 FOOTHILLS HEALTH DISTRICT VACCINATION UPDATE:			816 	12 3 
01/08/2021 9:38 AM	 LAKE LURE ROAD/STREET UPDATE: The Town of Lake Lure,			1.5K 	45 44 
01/07/2021 5:27 PM	 WINTER STORM WARNING REMAINS IN EFFECT FROM 7 PM			2.3K 	175 68 
01/07/2021 10:44 AM	 FOOTHILLS HEALTH DISTRICT COVID-19 VACCINE UPDATE: "We			1K 	40 7 
01/06/2021 6:18 PM	 COVID-19 UPDATES FROM 1/6/21: There are currently (14) known			819 	12 5 
01/06/2021 6:07 PM	 NC COVID-19 UPDATES: Governor Cooper extended NC's Modified			1.5K 	130 16 
01/06/2021 3:37 PM	 PREPARATION & TIPS FOR WINTER WEATHER • Please do not			719 	7 1 
01/06/2021 3:15 PM	 WINTER STORM WATCH: The National Weather Service has			1.3K 	78 43 
01/05/2021 3:29 PM	 FREE COVID-19 DRIVE THRU TESTING: The next free drive thru			1.1K 	6 9 
01/05/2021 11:16 AM	 COVID-19 VACCINE ADVISORY: The Foothills Health District			2.3K 	200 60 
01/05/2021 8:18 AM	 PARDON OUR PROGRESS - LAKE DRAWDOWN UPDATES: The Town			4.7K 	463 104 
01/05/2021 7:35 AM	 CAUTION - TEMPORARY ONE LANE TRAFFIC: Please note that			3.7K 	260 90 
01/04/2021 9:34 PM	 COVID-19 UPDATES FROM 1/4/21: There are currently (13) known			883 	9 2 
01/04/2021 7:03 PM	 REMINDER - LAKE DRAWDOWN SCHEDULE: In case you missed our			1.4K 	26 22 
01/04/2021 5:48 PM	 HAPPY NEW YEARS TO YOU! A new year is beginning to peak			1.1K 	9 39 

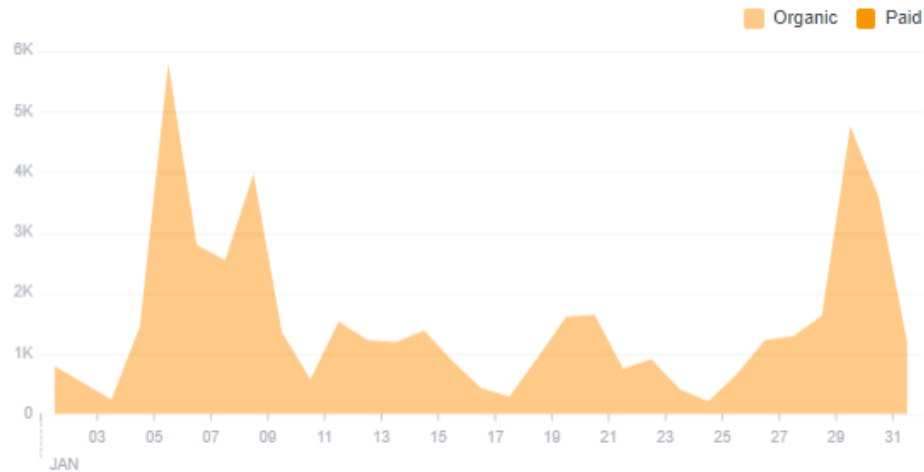
1. Facebook Analytics

- b. Followers** (People who have opted-in to “follow” our profile or page, meaning that they will receive our updates in their timeline): **We had an 10% increase this month over this same time last year with 16,345 followers as of 1/31/21**, compared to 14,892 on 1/31/20.
- c. Likes** (When someone “likes” a page, they're showing support for the page and indicating they want to see content from the page): **We had a 9% increase this month over this same time last year with 16,016 likes as of 1/31/21**, compared to 14,643 on 1/31/20.

d. Reach:

Post Reach

The number of people who saw any of your posts at least once. This metric is estimated.



2. Website Analytics:

- **Users:** There were 9,591 website users in January 2021, a 20% increase over January 2020.
- **New Users:** There were 9,134 new users in January 2021, a 22% increase over January 2020.
- **Sessions:** There were 11,908 sessions in January 2021, an 18% increase over January 2020.
- **Page Views:** There were 23,209 page January 2021, an 11% increase over January 2020.
- **Inquiries:** All web inquiries were answered timely by the Customer Service Specialist.

3. Events:

a. Upcoming Events:

	Town of Lake Lure and ROC Workday at Dittmer-Watts Dittmer-Watts Nature Trail Park Lake Lure Nc Tue Feb 9, 8:00am
	Town Council Town of Lake Lure, NC 11 Dates · Feb 9 - Dec 14
	Town of Lake Lure and ROC Workday at Weed Patch Mountain Buffalo Creek Park, Lake Lure NC Tue Feb 16, 8:00am
	Town of Lake Lure and ROC Workday at Buffalo Creek Park Buffalo Creek Park, Lake Lure NC Tue Feb 23, 8:00am

III. GRANTS

1. **FEMA High Hazard Potential Dam (HHPD) Grant Award:** The 2020 Grant application was submitted for the design work related to the reservoir drain. The total project cost is **\$185,710**. We applied for the FEMA HHPD grant to cover 65% of this project and were advised that the Town has been awarded **\$121,000**. The Town must contribute 35% (**\$64,998.50**) to support completion of this project. The FEMA HHPD grant contract was reviewed and approved by the Town attorney and signed and forwarded to NC DENR for their signature. Note that the FEMA grant process now requires expensive reporting which has been completed including:
 - Prescriptive coversheet and amendment package outlined below.
 - Quarterly Summary Report including the following:
 - ✓ Scoping Narrative with key staff/contractors/sub-recipients
 - ✓ Objectives to be achieved
 - ✓ Alignment with performance measures
 - ✓ Milestones to be accomplished during period of performance);
 - Workplan Table with Milestone Schedule over 12 quarters (PoP);
 - Budget;
 - Conflict of Interest document

Update 12/30/20: All of these documents were forwarded to the Department of Environmental Quality (DEQ) Dam Safety Office (DSO) for review/approval and were then forwarded to the national FEMA office for their approval.

- Once FEMA approves our amendment package, we will receive a formal letter confirming the amount of the grant.
- We have received an email advising us that we have been awarded \$121,000.
- I have checked with the DSO every week since our award was announced to confirm if we may proceed in signing the work order for the design of the reservoir drain.
- As of 12/16/20, George Eller advised that we should await the official letter to sign the work order. The letter may not come until January, given the holidays.

Update 1/31/21: Submitted a quarterly report for this grant award which is pending approval. Per the DEQ Dam Safety Office, the contract is in the second round of review in the national FEMA office.

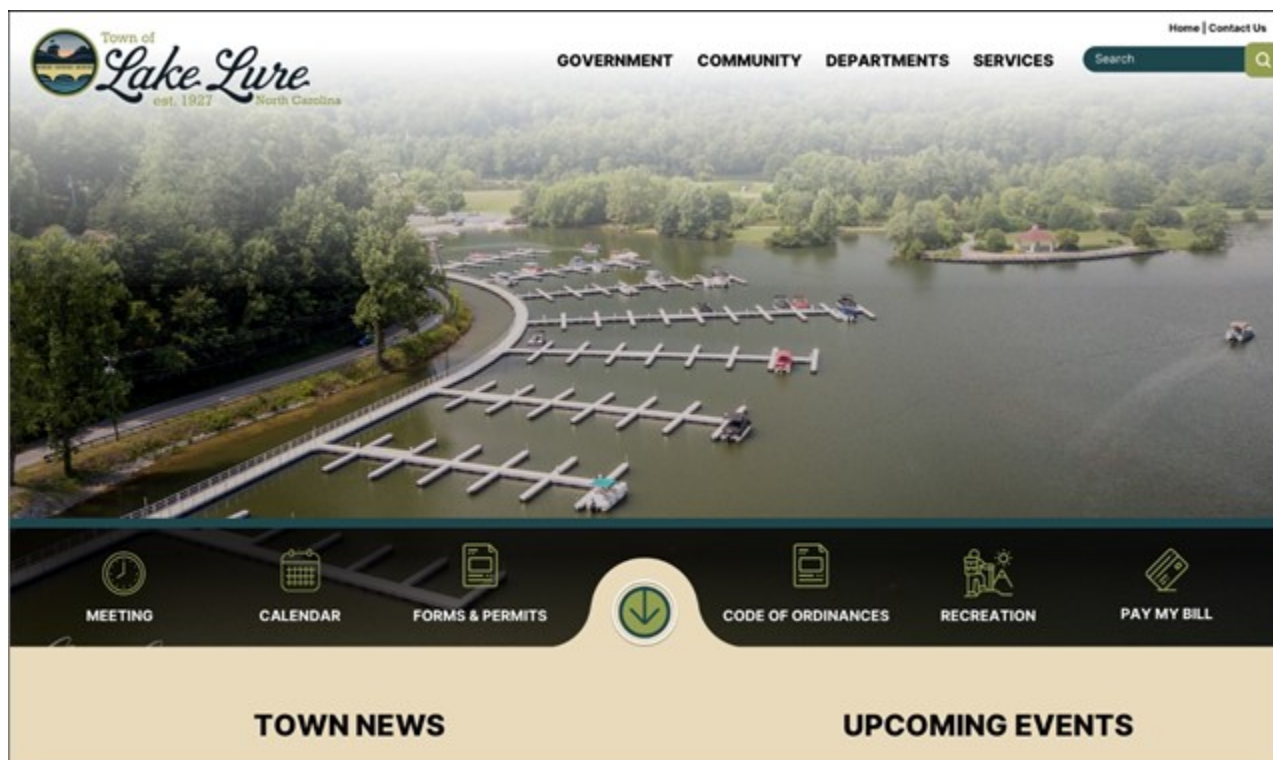
2. **Facebook Grant:** Worked with the Police Chief and the Fire Chief to submit a grant application for additional radios for the Police Department and the Fire Department. We hope to utilize the power of technology offered by the APX 4000 radio to better serve the community. These upgraded radios will allow first responders to connect with their colleagues, enhancing response time and safety. The cost of the radios is \$31,670.50. Grant recipients will be announced in the spring 2021.
3. **Asset Inventory and Assessment Grant Program:** The purpose of this grant is to support developing asset inventories, condition assessment of critical assets, and other components of a comprehensive asset management programs. LaBella Associates will take the lead in applying for this grant in 2021.
4. **Grants Database:** We continue to update the Grants Database as new information becomes available.

IV. COMMUNICATIONS

1. **Website Transition:** Began working with the new webmaster on the transition plan to the new website. Held a meeting to confirm selected applications and costs. Shared all branding resources and the Arnett-Muldrow report with branding recommendations with the team. Will work with various departments to

Determine the pertinent information that must be utilized as we build the new site. This will require a page by page review of all online information, as well as an assessment of all online documents that must be maintained.

Update 1/31/21: The following is a snapshot of the new website layout. Photos may change but the technical team has received positive feedback on this draft layout thus far. I am working with department heads and key staff to ensure each page is updated.



2. **Everbridge:** Increased Everbridge registrants by 29 people this month with 1,830 total registrants (784 new registrants +1055 Nixel) as of 1/31/21. **We sent out the following notifications this month:**
Winter Weather Advisory

A Winter Storm Advisory has been issued from midnight 12/15/20 through 6PM 12/16/20 for Western NC, including Rutherford County. Please prepare for the possibility of icy roads and power outages. Be careful if traveling and call 9-1-1 for emergencies.

3. **Sewer System (SS) Renovation Replacement and Renovation Project:** Worked with the UAB, contractors and key staff to develop a strategic communication plan including an introductory letter, detailed overview and update, property owner survey, and Cove Captain meeting outline with the SS team. We are now in the process of creating a list of frequently asked questions and answers to be utilized as needed as we proceed with Phase 1 of the project. A key part of this involves an analysis of the related policies.
- a) **Mailer/Letter:** On hold awaiting completion of the policy analysis
 - b) **Frequently Asked Questions:** On hold awaiting completion of the policy analysis
 - c) **Community Outreach Schedule Updates/Adjustments:** On hold awaiting completion of the policy analysis
 - d) **Grant Submittals/Results relative to Reservoir Drain / Sewer Access Valve (Design & Construction)**
- e) **Mayoral/Town Manager Support:** Provided assistance as needed with Town communications including the Mountain Breeze article, media relations, departmental updates, COVID-19 updates to the public.

- f) **Annual Report:** Worked with department heads, key staff, and contractors to create a 020 Annual Report of Accomplishments. A draft of the report has been shared with Town Council for review and input.
- g) **Lake Drawdown Videos:** Worked with the Mayor, Town Manager, department heads, and engineers to capture short videos of the projects completed during the Lake Drawdown. These videos have been shared with brief progress reports throughout the month.

1) 2021 Lake Drawdown Projects - January 4, 2021

The Town of Lake Lure began lowering the lake on 1/4/21 as planned. Please take a moment to view these brief videos, intended to keep our community informed about the lake drawdown and the projects completed during this time.

- Please click [here](#) to hear Mayor Carol Pritchett provide a brief overview of the purpose for the lake drawdown.
- Please click [here](#) to hear Town Engineer Kurt Wright details the projects to be completed in this brief video.

The purpose of lowering the Lake at this time is for a penstock inspection; routine preventative maintenance of the penstock, generators and Tainter gates; dredging; and a sewer system assessment.

- The Lake will be lowered one (1) foot per day and will ultimately be lowered to twelve (12) feet below full pond (990.5 feet above mean sea level (MSL))
- The Lake is expected to be (12) feet below pond from 1/13/21 until 1/20/21.
- On 1/20/21 the Town plans to begin refilling the Lake at a rate of one (1) foot per day.
- The current plan is to have the Lake back at full pond (990.5 MSL) by 1/31/21. If this plan changes and the schedule needs to be altered, updates will be posted here.

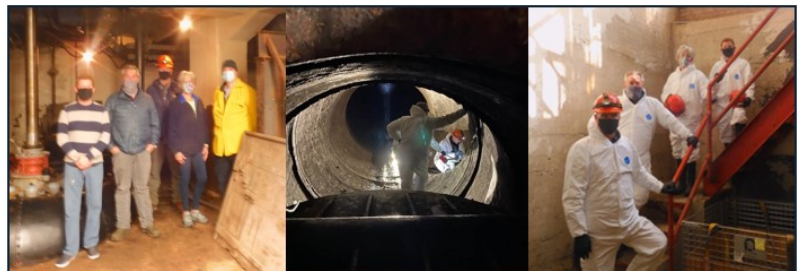
Often, property owners use the Lake drawdown time for construction or maintenance. Unfortunately, due to the limited drawdown time scheduled in January 2021, concrete will not have enough time to cure (28 days). Seawall repairs that require concrete will not be permitted without a coffer dam. In effect, permit requirements will be as if the Lake was at full pond.

Thank you for your patience as we continue our work to enhance and preserve Lake Lure for future generations.



2) Lake Drawdown Updates - Penstock Inspection Progress Report - January 14, 2021

The Town lowered the lake to (12) feet below pond on 1/13/21. One of the important projects to be completed during the lake drawdown was the penstock inspection. Town Engineer, Kurt Wright led the inspection and reported that "overall, the penstock looks good and is completely safe." Kurt Wright accompanied Mayor Carol Pritchett; Commissioner Patrick Bryant, Stan Aiken, Regional Engineer and Mike Smith, Assistant Regional Engineer with



**Winter 2021 Lake Drawdown
Penstock Inspection**



NC Department of Energy, Mineral, and Land Resources on an inspection of the penstock on 1/14/21.

Dam/Hydroelectric Plant Manager Dean Lindsey and Fire Chief Dustin Waycaster ensured the team's safety throughout the tour.

- Please click [here](#) to watch this brief video of Mayor Carol Pritchett at the penstock
- And click [here](#) to hear Kurt Wright's assessment following the inspection.

Thank you for your ongoing support. Stay tuned here for additional updates on projects that are being completed during the drawdown.

3) **Lake Drawdown Updates - Dredging Progress Report - January 19, 2021**

The Town of Lake Lure is part of the 94 square mile Upper Broad River Watershed. Elevations range from over 4,000 feet (4,412 feet at Little Pisgah Mountain) to just under 1,000 (990 feet is the surface elevation of Lake Lure). The watershed has steep topography with numerous sheer cliff faces. The most prominent geographical feature in the watershed is Hickory Nut Gorge, a 10-mile long gorge carved primarily by the Broad River and two prominent tributaries, Hickory Creek and Reedy Patch Creek.

Soils are mostly highly erodible sandy loams and silty loams. Some refer to the soils as “sugar soils” as they seem to dissolve when they come in contact with water. It is estimated that more than 40,000 tons or 33,000 cubic yards of sediment move through the watershed and into Lake Lure each year.

The Town has been steadily increasing the investment in dredging over recent years. The graph below illustrates the funding allocated for dredging in the past ten years. Town Council and Staff Leadership have identified dredging as a key infrastructure priority for the coming years. Please click [here](#) to hear Lake Lure's Parks, Recreation, and Lake Director briefly discuss the dredging plan and click [here](#) to review the FY20-21 Dredging Plan

4) **Lake Drawdown Updates - Sewer System Progress Report - January 20, 2021**

One of the important projects to be completed during the winter 2021 lake drawdown was an assessment of the proposed sewer system renovation project. The Department of Environmental Quality (DEQ) regulatory personnel came to Lake Lure last week to assess the Gravity / Lift Station (GLS) system that is proposed to replace the Town of Lake Lure, NC's existing subaqueous sanitary sewer system. This is the recommended alternative that the Town has submitted to DEQ in the current Engineering Report & Environmental Information Document that is under review.

When approved, the new system will be installed in the “backshore” of the lake. The backshore is that area of the lake front that is exposed when the lake is drawn down. The existing dam will be outfitted with a new reservoir valve that will allow the lake to be drawn down to 20 feet for construction. This will expose a significant amount of backshore area which is enough to install the GLS system. Currently the lake can only be drawn down 12 feet.



During the lake drawdown the team completed an inspection and answered questions about the proposed system. DEQ was generally impressed and did not have any significant issues with the proposed system. When the system is approved, the Town will begin work in a phased approach.

Additionally, drone footage was taken of the backshore and contractors interested in submitting bids to complete work for this project came out to assess the area.

5) Lake Drawdown Updates - Backshore Survey Progress Report - January 29, 2021

One of the many important undertakings that has been completed during the Lake Lure lake drawdown was a series of sewer system site assessments. Four groups participated in these site visits with a tour of the lake's backshore. There were two groups of regulators here from the Department of Environmental Quality (DEQ) including the Division of Water Infrastructure personnel and the Division of Water Resources staff. These teams came from the DEQ Asheville and Raleigh, NC offices. The purpose of their visit was to assess the existing Subaqueous Sewer System and plans for the future Gravity Lift System (GLS).



Additionally, contractors that may be interested in bidding on future work to support the sewer system replacement came to tour the backshore. There were two teams of contractors, one team to assess the plans for the GLS and one to assess the manhole rehabilitation project. Mayor Carol Pritchett, Town Engineer Kurt Wright, Public Works Director David Arrowood, Parks, Recreation, and Lake Director Dean Givens, and Fire Chief Dustin Waycaster met the teams and escorted 7 groups on a tour of the lake and the backshore.

As planned, the Town began refilling the lake on 1/20/21; however, we have had to adjust the date the lake will be back at full pond. Our original plan was to refill the lake by the end of the month, depending on the amount of rain received. Due to the limited rainfall, we have only been able to raise the lake level by an average of (5) inches per day since 1/20/21. The revised estimate for having the lake back at full pond (990.5) is 2/18/21. Again, this depends on the amount of rain we receive. We will post updates here. **Email Updates:** An email update with the month's headlines will be shared this week with the Town's email database ON 1/4/21.

6) The Lake is Rising - January 29, 2021

The lake is rising, but not quite as quickly as we hoped. If you have been following our lake drawdown progress reports, you know that the Town of Lake Lure, NC began refilling the lake on 1/20/21.

We have had to adjust the projected date the lake will be back at full pond.

Our original goal was to refill the lake by the end of the month, depending on the amount of rain received.

We have only been able to raise the lake level by an average of (5) inches per day since 1/20/21 due to the small amount of rain we received.

The revised estimate for having the lake back at full pond (990.5) is 2/18/21. Again, this depends on the amount of rain we receive.

We will post updates here as new information becomes available.



- h) **Email Updates:** An email update with the month's headlines will be shared this week with the Town's email database on 2/3/21.

Happy February from the Town of Lake Lure,

We hope this note finds you and your family well! We want to be sure you are up-to-date on all the [Town News](#) on our [Lake Lure Website](#).

If you have not had an opportunity to follow these updates as they are posted on the website, or on our [Town of Lake Lure Facebook Page](#), you may want to take a moment to review some of the past month's headlines, resources, and information to be sure you have not missed anything that might be important to you. Simply click on [Town News](#) or review specific headlines of interest below. Scroll through Town News to locate those items with an *.

Message from the Mayor on Vaccines	County COVID-19 Updates County Alert System NC COVID-19 Strategy	Schedule for Refilling the Lake	New Online Options for Utility Payment
January 12, 2021 Town Council Summary	Executive Order 189 EO 189 FAQs Executive Order 190 EO 90 FAQs Executive Order 191 EO 191 FAQs	Lake Drawdown Accomplishments • Penstock Inspection • Sewer System Assessment • Dredging Progress • Backshore Survey	Employment Opportunities
Winter Weather Alerts*	Preparation and Tips for Winter Weather*	Danger – Keep Out of the Lakebed*	Send Us Your Photos
Register for Everbridge Lake Lure's Mass Notification System	Lure Rock Comic Strip*	Recycling in Lake Lure	2020-2021 Dredging Plan

If you have any questions or recommendations, please contact me at 828-625-9983 X 103.

Have a Happy Valentine's Day in lovely Lake Lure!

Laura

Laura Krejci, MSW

Communication Specialist

Office: 828-625-9983, ext.103

Cell: 803-318-7805

Email: Communications@townoflakelure.com

Website: www.townoflakelure.com

Facebook: www.facebook.com/townoflakelure



From: Staudt, Christy [<mailto:cstaudt@trafficpd.com>]
Sent: Thursday, February 04, 2021 10:19 AM
To: David Arrowood
Subject: Lake Lure Pedestrian Crossing Evaluation

Good Morning David,

Thanks for reaching out to TPD to discuss your pedestrian crossing needs for the Town of Lake Lure. Here at TPD, we hold pedestrian safety as a high priority and we stay on top of the latest standards and national guidance. We work frequently with Division 13 of NCDOT on these issues.

For the budget placeholder you requested, there is a bit of a range which depends on the extent of pedestrian count data that NCDOT will require and how many meetings/coordination calls are needed.

Budget Placeholder Breakdown:

- Meetings and Coordination (Town and DOT) - \$600
- Site Visit - \$600
- Pedestrian Counts & Processing - \$1000-2000 (*depending on number of days/hours*)
- Analysis and Recommendation Letter - \$1600
- Conceptual Crossing Plan (on aerial photo) - \$1600
- *Optional: Post Recommendation Site Visit with NCDOT (if needed) - \$600*
- *Optional: Cost Estimate for Construction - \$600*
- **Total = \$5,400 – \$7,600**

We look forward to the possibility of assisting you with this work.

Christy

Christy Staudt, P.E.
Regional Manager



Traffic Planning and Design, Inc.

80 Charlotte Street
Suite 40
Asheville, NC 28801
828.575.0133
M: 828.329.5625

www.TrafficPD.com

Connect with us!

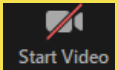


V
2019-2020 AUDIT
PRESENTATION

Martin-Starnes & Associates
CPA, LLC

PUBLIC COMMENT

If you would like to speak on topics other than those being discussed during a public hearing, please unmute your mic, introduce yourself by stating your name and residency/business and what you would like to talk about. Please keep comments at five minutes or less.

Click  to unmute/mute
Click  to turn on camera

VIII

CONSENT AGENDA

- Adoption of the January 7, 2021 Special Town Council Minutes, the January 12, 2021 Regular Town Council Minutes, and the January 27, 2021 Special Town Council Minutes
- Adoption of Resolution No. 21-02-09 Deputy Town Clerk
- Approval of a Contract with Martin Starnes & Associates, P.A. to Audit Accounts
- Appoint Mayor Carol Pritchett and Finance Director Sam Karr to the Lake Lure Fire Department Relief Fund Board
 - Approval of Budget Amendment #297 - Overtime



MINUTES OF THE SPECIAL BUDGET WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD WEDNESDAY, JANUARY 7, 2021, 8:30 A.M. VIRTUALLY VIA ZOOM

PRESENT Mayor Carol C. Pritchett

VIA ZOOM: 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 8:31 a.m.

II. ADOPTION OF THE AGENDA

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

III. REVIEW ADOPTED FY 21-22 BUDGET DEVELOPMENT CALENDAR

Council reviewed the adopted FY 21-22 Budget Development Calendar. The CIP presentation will be held on February 10th.

IV. FINANCIAL OVERVIEW – FINANCE DIRECTOR/TOWN MANAGER

Finance Director Sam Karr provided an overview of the midpoint Financial Summary Report (General Fund, Water/Sewer Fund, and Hydroelectric Fund). He stated that the General Fund and revenues with the Water/Sewer Fund are right on target. However, there are some expenses on chemicals and sludge removal that will likely require a budget amendment year-end. At the end of the last fiscal year, June 30, 2020, the Hydroelectric Fund had a negative fund balance of \$300,000. The auditors then moved \$300,000 from the General Fund into the Hydroelectric Fund, which will eventually have to be paid back. To date, we have generated

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around \$65,000 more than we have spent out in the Hydroelectric Fund. He noted that Dam and Hydroelectric Director Dean Lindsay is just about finished with most major capital repair items. Roughly \$428,000 is being transferred to the Capital Reserve which will bring the balance to \$600,000 by June 30th. Commissioner DiOrio explained that the framework for the last tax increase was to continually put \$600,000 into the Capital Reserve each year earmarked for the Dam. The current sewer rate will pay for the \$12.5 million SRF loan. He mentioned that the Hydroelectric Plant profits about \$50-\$60k each month. He expressed that our sewer rates are as high as they need to go and a new source of revenue is needed for the next phase of the sewer project.

Mr. Baldwin noted that Town Engineer Kurt Wright will meet with NC Dam Safety and Schnabel Engineering and will bring a report back to Council. Mayor Pritchett reported that Reese Walsh with Labella Engineering explained at the last Utility Advisory Board Meeting that they plan to lower the Lake for at least four months every year for the next twelve years until Phase 1 of the sewer system project has been completed. She asked how this would impact revenue. Commissioner DiOrio noted that this is a loss of around \$320k-\$400k each year. He stated that LaBella wants to only lower one foot per day, which he felt was extremely cautious. Mr. Baldwin agreed stating that the Lake can be lowered faster than one foot per day. Commissioner DiOrio noted that LaBella does not want to start any type of work until the Lake is down 20 feet and stated that there are things that could be done before then. Commissioner Moore suggested this be referred to as the big drawdown instead of draining. Commissioner Kilby suggested that information start being relayed to the public by utilizing the signs in front of Town Hall and near the library. Mr. Baldwin stated that this information could be posted on banners and placed at the Town's four banner locations.

Mr. Karr provided an overview of expenditures and the preliminary Capital Improvements Plan (CIP) for FY21-22. Commissioner DiOrio felt it would be worthwhile to pay off some of the smaller loans early to focus on the larger loans. He suggested possibly considering a step increase in taxes each year to help pay off debt. Mr. Baldwin noted that Steve Metcalf with The Policy Group relayed that he could ask our legislators what they would be willing to submit on behalf of the Town to help bring in additional revenue. Mr. Karr stated that hydro automation might need to be deferred to next year. Mr. Baldwin noted that hydro automation could be matched with a grant. Commissioner DiOrio recommended linking it to a grant and pushing it out another next year.

Commissioner DiOrio asked if the Town is legally obligated to stabilize the Duck Cove Property and Mr. Baldwin replied that the Town is not under any legal obligation to move it. He stated that a qualified engineer would be needed to determine if the road is in any danger of being undermined and he would reach out to an engineer to get a qualified opinion. Commissioner DiOrio suggested adding a line item for facilitation of a new cellular tower. Mr. Baldwin noted that \$5,000 is the minimum to add a line item and he felt this would be a wise move to add in. Commissioner Moore suggested removing the Town Center Main Street Plan this year and add that the walkway to Chimney Rock Village is contingent upon receiving a grant.

V. REVIEW THEMES AND GOALS SUBMITTED BY TOWN COUNCIL, DEPARTMENT HEADS, AND KEY STAFF

Mr. Baldwin reported that Assistant Community Development Director Mitchell Anderson will become the new Community Development Director as of July 1st. He also reported that Michael Williams was hired to fill the vacant position in Community Development when Garrett Murphy left.

Commissioner DiOrio asked what the barge could be used for that is requested in the Parks, Recreation, and Lake Department CIP. Mr. Givens explained that the barge be used for the sewer system project and any type of work on the lake. He pointed out that he currently has two donated pontoon boats he uses for lake work which are worn out because of work load. He expressed that a sturdier barge is needed for lake clean up, sewer projects, work on the Dam, dredging, etc. Commissioner DiOrio requested that Mr. Givens speak with LaBella and get a recommendation on the type of barge that would best fit their needs or the needs of engineering firms on the Lake.

Mr. Baldwin reported that Public Works Director David Arrowood is in the process of having the Public Works property surveyed. This will ensure that the new fence would not be placed on private property. He also reported that Communications Specialist Laura Krejci is currently working with Municode on a new town website. A new work request form will be added to the website which will allow the public to submit different types of requests online. This form can also be filled out in Town Hall and would be forwarded to the appropriate department as a work order. Ms. Krejci expressed that her goal is to make the transition to the new website seamless. The recurring annual costs are around \$6,000 due to the options selected, as well as any additional charges incurred as a result of the new work order program that is being incorporated. Ms. Krejci requested an updated electronic sign, such as the one the library has, that would allow staff to provide updates and information in a more professional manner. The current sign must be changed by a staff member which is not very efficient. An electronic sign would look more professional and would provide capabilities we do not currently have. The sign could also be used to relay emergency messages electronically without requiring staff to manually change the sign. Commissioner Kilby pointed out that there are zoning requirements which may need to be changed to allow this type of sign. Ms. Krejci also suggested investing in better microphones to help with audio/video on social media.

Mr. Baldwin provided an updated on the recently received WithersRavenel (WR) Report. He stated he would provide his comments to Council and asked that Council provide feedback as well before sharing with staff. Mr. Baldwin provided an update on the recent change from billing every other month to monthly utility billing. It takes an enormous amount of staff time to read meters each month. Utilizing technology to read the meters would drastically reduce the amount of time it takes staff and would require only one staff member to read meters each month. He reported that it costs around \$37k-\$40k each year in staff time to read the meters manually. Mr.

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Arrowood added that it takes all of his employees around four days each month to read meters. Commissioner Kilby requested that Mr. Arrowood provide Council with a comparison of meter reading manually versus electronically. Mr. Baldwin noted that the costs of electronic meters could possibly be phased out over a few years. Mr. Arrowood stated that around \$200k is the cost for electronic meters, which includes installation fees. Mr. Baldwin reported that an online link has been added to the Town's webpage which allows customers to pay their utility bill online. Mr. Karr noted that there are no additional costs for this service as this is an upgrade to the system already being utilized for over-the-counter credit card payments. Mr. Baldwin mentioned that this information will be relayed to customers so that they are aware of this new online tool.

Public Works Director David Arrowood reported on stabilization and ditch cleanup work being done on Boys Camp Road. He noted that he received a quote from Tim Edwards Landscaping to use his long arm excavator to help remove debris from areas that can't be reached with town equipment. He noted that traffic control will be needed because only one lane of traffic will be open. If debris is not cleared from the culverts, they will eventually become clogged and overflow into the road. This work will take about half a day and Tim Edwards is anticipating starting in the next few weeks. Mr. Arrowood reported that the NCDOT Bridge Maintenance department have been placing timbers down along the guardrails on Boys Camp Road to use as retaining walls to help keep erosion from coming into the road. DOT donated the timbers and hauled at no cost to the Town. Mr. Arrowood then reported on the booster pump station for Fire Fly Cove noting that WR is finalizing the design and will then be put out for bid. Permits have already been received from the State. This project will be completed this year. He suggested the Fire Fly Cove system be bumped up from \$350k to \$500k.

Mr. Baldwin reported that he emailed Jonathan Pittman with Schnabel Engineering and George Eller with NC Dam Safety to get their opinions on only lowering the Lake at one foot per day. He noted that their responses were that they prefer only lowering one foot per day. Dam and Hydroelectric Director Dean Lindsey recommended following the most conservative approach. Lowering one foot per day allows us to account for weather and provides a buffer. Commissioner DiOrio suggested an operating range of 1-1.5 feet.

Mr. Wright provided an overview of a WebEx meeting held on January 6, 2021 with NC Dam Safety Engineer George Eller, Engineers Jonathan Pittman and Mark Landis with Schnabel Engineering, and Toby Vinson and Stan Aiken with NC Division of Energy, Mineral and Land Resources Department of Dam Safety to discuss the life expectancy of the existing dam. During that meeting Mr. Eller stated that, from NC Dam Safety's perspective, the three key issues regarding risks include: A PMP (Probably Maximum Precipitation) event which could cause catastrophic consequences and dam failure, an earthquake which could cause catastrophic consequences and dam failure, and the age of the Dam (95 years this September) and having no major structural renovations to bring the Dam to NC standards which also puts the existing dam in jeopardy of catastrophic failure. Therefore, Mr. Wright feels that the risk associated with the existing dam is high. Other key items discussed in the meeting were a Dam Safety Order, the hydroelectric facility, and a decision on rehab versus new dam needed by the end of February.

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Town Council, Town Manager Shannon Baldwin and Town Engineer Kurt Wright agreed to hold a workshop meeting on January 27th to discuss dam options.

Discussion ensued regarding the Dam and term for the \$65 million SRF loan. Mr. Wright explained how the Town could possibly request an extension of the SRF loan based on the life cycle of the Dam. He stated that the Dam is a concrete asset and could last well over 100 years. If state legislators allowed the Town to pay back the \$65 million loan over 65 years, the Town would be paying back \$1 million a year. He stated the Town cannot afford to pay back a \$65 million loan over 20 years and the state legislators should be made aware of this and the high risk of the existing dam. Mr. Wright suggested asking Schnabel to attend the workshop meeting as well. Discussion continued regarding the Dam. Commissioner DiOrio suggested asking Schnabel to submit a report to the State showing what the Town can afford to pay for a dam. He noted that dam rehabilitation would require the Lake to be drained for an extensive period of time, multiple times, and would cost more than a new Dam due to the economic impact it would have. Mayor Pritchett pointed out that if hydro is incorporated, it would fall under the Federal Energy Regulatory Commission (FERC) regulations. She suggested not incorporating hydro for another 8-10 years. Mr. Baldwin reported that Steve Metcalf with The Policy Group agreed to join the upcoming workshop meeting on January 27th.

VI. Q&A SESSION WITH DEPARTMENT HEADS & KEY STAFF

The Board discussed the tax rate. Commissioner DiOrio pointed out that Chimney Rock's tax rate is a quarter of what the Town's is and suggested reviewing their subsidies for this budget cycle. Council agreed to hold a meeting with the Chimney Rock Mayor on Wednesday, February 3rd at 8:30 a.m. Mr. Baldwin, Mayor Pritchett, and Commissioner DiOrio agreed to come up with talking points for this meeting.

Commissioner DiOrio commented on the dredging method and schedule noting that Parks, Recreation, and Lake Director Dean Givens is looking into alternative ways of removing silt from the Lake.

VII. CAPITAL PROJECTS IDENTIFICATION BY TOWN COUNCIL & TOWN STAFF

Department heads and key staff reported on their capital projects.

Human Resource Coordinator Amy Wright reported that she will be focusing on training and development, job shadowing Customer Service Specialist Linda Ward on policy procedures for utility billing and collections and Finance Director Sam Karr on daily accounting process, and working with the Town Manager on developing a strategic plan for staff replacement and

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succession planning. She also wants to bring employees together post pandemic which she feels will help boost employee morale. Mr. Baldwin noted that the only additional request she has is for a new ID machine.

Town Clerk Michelle Jolley commented on her goals for the year. Key items that the Town Clerk will be working on are inventorying town agreements and contracts and documenting expiration dates, cleaning up and organizing the Town Hall records room, and working toward securing her NC Clerk Certification.

Parks, Recreation, and Lake Director Dean Givens reported on his goals. He stated that he is performing a study of the current Golf Course property including having the property appraised. The Town continues to lose money on the Golf Course and the goal is to seek other opportunities for this land. Another goal for this upcoming year is phase II of the Marina. Phase II consists of removing the existing marina building and replacing it with a new building featuring retail and tour sales downstairs along with space for the TDA and restaurant upstairs. His last goal for the upcoming year is the Amphitheater project. He'll be working with the TDA to identify potential donors/private investors to move this project forward with the construction of a new band-shell and amenities.

Police Chief Sean Humphries reported that his goals are to maintain a low crime rate through persistent basic policing, implement practices that allows the department to retain highly experienced staff, and maintain high morale in the department.

Communications Specialist Laura Krejci provided an overview of her goals for the year. She reported that she plans to work with Council to host quarterly community forums on key priorities as soon as these were permissible, given the pandemic. The goal of these forums is to provide avenues to share information with the public and to seek public input. A second goal is to develop a new website for the Town. She noted that the Town has contracted with Municode to create the new website which will launch this year. Additionally, she noted that originally she had planned to apply for a FEMA FY20 Hazard Mitigation Assistance (HMA) for the dam spillway assessment, automated tainter gates, and spring gages. Unfortunately, after consulting the DEQ Dam Safety Officer, this grant application would be premature until a decision is made regarding the Town's preference to build a new Dam or to rehabilitate the existing one. Additionally, she planned to apply for the FEMA FY 2020 Building Resilient Infrastructure and Communities (BRIC) Grant to fund the construction of the Dam reservoir; however, the DEQ Dam Safety Officer confirmed that the Dam reservoir drain design would have to be approved before we could apply for a construction grant to cover these costs. These grants will have to be reconsidered next year.

Fire Chief Dustin Waycaster gave an overview of his goals. He stated his number one goal is to improve morale in his department. His second goal is staff training in dive rescue. There are currently three of their most senior staff enrolled in Diver Training in order to provide a better service to the Town. He mentioned that they must depend on outside agencies in the event that a diver is needed. He plans to have training for his staff as well as other town staff to

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be able to respond to incidents much quicker. His last goal is to secure 100% in AEMT training so that his staff will be able to operate at a higher level of care until a paramedic unit arrives on scene and will help the community by improving the care that they receive.

Assistant Community Development Director Mitchell Anderson provided an overview of his goals. His first goal is to train the new Development and Environmental Review Specialist so that they are proficient and knowledgeable of the Town's ordinances, processes, and permitting requirements. They will also attend training and certification courses through the NC School of Government to ensure a complete understanding of state guidelines and statutes regarding land use, subdivision, floodplain administration, and sedimentation and erosion control regulations. His second goal is to secure and train a new part-time Community Development Administrative Assistant to assist the Department as needed. His third goal is to improve technology throughout Town. There is a demand for an advancement in technology for the day-to-day endeavors such as training staff and looking into ways to improve work flow with use of technology. This would also provide assistance and a point of communication for ADNS.

Finance Director Sam Karr provided an overview of his goals for the year. He stated that his first goal is to create a Comprehensive Annual Financial Report (CAFR) to be transparent about the use of taxpayers' money and to give the public a detailed accounting of all expenditures. The last time one was done was in 2015. His second goal is to streamline the CIP process and his third goal is to upgrade fixed assets inventory.

Public Works Director David Arrowood provided an overview of his goals. He plans to replace all existing manual-read water meters with electronic-read water meters. He conveyed that reading meters manually costs the Town approximately \$32,000 in staff time. His second goal is a water interconnect at Fire Fly Cove to ensure sufficient water supply to the Fire Fly Cove subdivision which currently only has one well. They cannot add more houses until additional water supply is available. This interconnect also moves the Town closer toward becoming independent from the Chimney Rock Village water system. His third goal is to continue managing sludge issues at the Wastewater Treatment Plant in order to meet DEQ standards. Presently the Town does not have an effective sludge removal process. Because of present SOC negotiations, it is very important we have the proper sludge management process.

Dam and Hydroelectric Director Dean Lindsey provided an overview of his goals. His first goal is to increase power output from the Hydro Plant by 15% each month. He stated that his second goal is to automate the tainter gates and the Hydro Plant before the end of next fiscal year. Work would commence during next year's proposed drawdown schedule. This would allow for more effective and efficient dam and hydro operations. His third goal is to take over the responsibility for the WWTP operations. Training and certifications are being sought after now. This will save the Town approximately \$100k annually based on one analysis.

Mr. Baldwin reported on the Town Engineer's goals. The Town elected officials, staff, and consultants acting as a unified whole is his first goal. This action has not been done in the past. Secondly he wants to improve the Town's financial condition by correcting any and all

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financial deficiencies with all funds to be financially sustainable. Lastly, he wants to get the wastewater system, water system, Dam (includes hydro), and dredging on track. He also suggested including the addition of reliable and fast internet capability and cell coverage as part of this list.

Town Manager Shannon Baldwin provided an overview of his goals. He plans to execute policies and directives promulgated by Town Council, support department heads and key staff, and maintain a performance bonus plan. Other goals he mentioned were to update and maintain the Strategic Communication Plan and talking points, evaluate the financial relationship with Chimney Rock State Park, and facilitate special legislation (local Bills).

XII. ADJOURN THE MEETING

With no further business, Commissioner David DiOrio made a motion to adjourn the meeting at 11:30 a.m. Commissioner Patrick Bryant seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol C. Pritchett



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

PRESENT Mayor Carol C. Pritchett
VIA ZOOM: 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

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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
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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

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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

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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

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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

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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,
Town Clerk

Mayor Carol C. Pritchett



**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL
HELD WEDNESDAY, JANUARY 27, 2021, 8:30 A.M. ELECTRONICALLY VIA ZOOM**

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

ABSENT: N/A

CALL TO ORDER

Mayor Carol Pritchett called the meeting to order at 8:44 a.m.

APPROVAL OF THE AGENDA

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

COVID-19 EMERGENCY SICK LEAVE POLICY

Mr. Baldwin presented the Policy. He stated the Policy is an open ended policy and is a precautionary measure to protect the Town. It will provide some relief to full-time employees that contract and are affected by COVID. The Town Attorney has reviewed and given his approval.

Commissioner David DiOrio made a motion to adopt the COVID-19 Emergency Sick Leave Policy as presented. Commissioner John Kilby seconded and the motion carried 4-0.

PRESENTATION ON DAM OPTIONS

(Presentation attached)

Town Engineer Kurt Wright held a presentation on options relative to the Dam. He provided an overview of a WebEx meeting held on January 6, 2021 with NC Dam Safety Engineer George Eller, Engineers Jonathan Pittman and Mark Landis with Schnabel

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Engineering, and Toby Vinson and Stan Aiken with NC Division of Energy, Mineral and Land Resources Department of Dam Safety to discuss the life expectancy of the existing dam. During that meeting Mr. Eller stated that, from NC Dam Safety's perspective, the three key issues regarding risks include: A PMP (Probably Maximum Precipitation) event, an earthquake, and an aging dam that's had no major structural renovations to bring the Dam to NC standards. He rated the Dam as a high risk but not in the highest risk category. Other key items discussed in the meeting were a Dam Safety Order, the hydroelectric facility, and discussion that a decision on rehabilitation versus a new dam was needed as well as a schedule of implementation by the end of February. The estimate for rehab is around \$65 million and a new dam is roughly the same amount. He recommended working on a mutual schedule of implementation with Schnabel to present to Dam Safety.

Mr. Wright discussed the bridge over the Dam noting that NC DOT presented three options. However, he mentioned that a fourth option was discovered which was overlooked by DOT and is beginning to emerge as the right solution. This option would move the bridge over to Island Creek Road and a new road built. If DOT agrees to do this, the bridge over the existing dam and its relocation are a moot point and would not affect a rehabbed or new dam. Mr. Wright also provided an overview of the options available relative to the hydroelectric facility. Currently there is an opportunity to turn the water into money which is an important revenue stream.

Jonathan Pittman with Schnabel Engineering noted that Dam Safety is willing to work with the Town on a timeline. Typically if the Town shows progress on a path forward they are willing to be more flexible and agreeable. The reservoir drain project shows the Town is taking steps towards meeting regulations. He stated that Dam Safety is aware of the financial restraints the Town has and that funding is not readily available for this multimillion dollar project. However, he noted that Dam Safety can issue a Dam Safety Order if no action is being taken or the Town is not adhering to the schedule agreed upon. He mentioned that they do not want to have to issue a Dam Safety Order and drain the Lake and want to work with the Town on a solution and schedule. He mentioned that this dam is at the top of their list in terms of structures to bring into compliance with regulations due to age and its classification. He explained that design and planning of a new dam usually takes 2-3 years with a new dam in place around 5-10 years. He stated that permitting and engineering is about 10% of the overall cost of the project. Mr. Pittman explained that lack of funding for these types of projects are not uncommon and felt that Dam Safety would be willing to work with the Town. Mr. Pittman conveyed that Dam Safety wants to have a decision from the Town on which option they are taking and in the meantime the Town work at reducing risks. Dam Safety would then be willing to be a little more flexible. Mr. Pittman relayed that the Town should work collaboratively with Dam Safety to prepare a timeline with milestones and not include dates until the design has been completed. Commissioner DiOrio pointed out that if the Dam were moved downstream, the existing bridge and infrastructure would be needed for a foundation to build the new dam. Mr. Baldwin asked if installing a reservoir drain would lock the Town into rehabilitating the existing dam and Mr. Pittman did not think so. He noted that he has been involved in several projects in which improvements were made using federal funding to help mitigate risks. And then several years later the project took a different direction. The terms of the agreement is somewhat negotiable as

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mindsets, restraints, and requirements change. He pointed out that the reservoir drain can be designed in a way that it can be incorporated into a new dam and would serve key purposes during construction of a new dam. He mentioned that any obligations to FEMA for accepting funding for the reservoir drain would go away as long as the Town is in concert with Dam Safety. Mr. Baldwin noted that we have yet to receive a formal decision on whether we get the grant for the reservoir drain and he does not want it to affect the decision on rehab versus new. Mr. Wright felt this would be worked out and be part of the schedule. Mr. Pittman recommended designing a new dam in compliance with Federal Energy Regulatory Commission (FERC) so there is an opportunity for hydro to be added later. He noted that there may be a small monetary difference but it would not be significant. Mr. Baldwin requested Mr. Pittman attend the meeting on February 9th in case there are additional questions and Mr. Pittman stated he would attend. Mr. Wright suggested the Town consider a public private partnership (PPP) to help determine which option would be best to pursue. He mentioned that he has an energy purveyor he is familiar with who is interested. The Board continued to discuss dam options.

Mayor Pritchett stated that she had the opportunity to speak with Stan Aiken with NC Dam Safety. She explained that they are only concerned with how the Town will handle the risks associated with the Dam. She asked about the FEMA grant and if it would cover all costs associated with installation of the sewer access valve. Mr. Baldwin explained that there are two grants; one for design and one for construction. Installing the valve will reduce risks associated with the Dam. Council agreed to vote on a dam option at the February 9th meeting, discuss a timeline and milestones with Schnabel, and invite NC Dam Safety Engineer George Eller to attend the meeting to seek his comments and discuss timeline. Mr. Baldwin stated he would ask that Schnabel prepare a timeline to present at the meeting and then revise with any recommendations received from George Eller to be adopted at the end of the month.

Mayor Pritchett announced that a meeting will be scheduled on February 24th to discuss and finalize the timeline.

PRESENTATION BY THE PARKS, RECREATION, AND LAKE DEPARTMENT

(Presentation attached)

Commissioner Kilby reported that the Town has received a \$637,000 grant from the Department of Environmental Quality to assist the Town's dredging needs. This is the largest grant the Town has received to date. The Town, being in a Tier 1 county, was only required to provide a 25% match which is already in the budget. This is down from the 50% match the Town was required to pay in the past. Commissioner Kilby extended his appreciation to Dean Givens and Dana Bradley in the Parks, Recreation, and Lake Department for their exceptional job in securing the grant. Mr. Givens noted that the money must be spent by the end of the year and the Town can reapply for the grant each year. The grant is flexible as long as what we plan to spend the money on can be tied into dredging. He stated that he would like to purchase a Weedoo boat, a motorized barge, and a mini excavator to use for lake debris clean up. The requested equipment

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requires 28% of the grant money. Mr. Givens noted that his staff and Public Works staff would be trained to operate the equipment. The barge will be designed with anchors so that the excavator will be locked onto the barge without fear of toppling over. He stated that \$560k is to be spent on our current contractor for hydraulic dredging. He reported that property on Chapel Point Road has been surveyed for access to the Lake and he is working with Town Attorney William Morgan to acquire easements from property owners to access the property. He explained that cost sharing with the public are ways to budget more money pointing out that Fire Fly Cove has been paying the Town to dredge in their cove. Mr. Baldwin discussed the need for a larger Public Works site on Island Creek Road and using the existing site to put in a spoils pit. Commissioner Bryant asked about a duplicate dredging contract. Mr. Givens explained that it has never worked in the past and believes we have the right contract with Tim Edwards. Mr. Givens relayed that he would update his graph to show how much money was budgeted for dredging, how much was spent, and how much of the money was a match to a grant. An article will be prepared to share this information with the public.

REQUEST TO MAKE IMPROVEMENTS TO LARGE BEACH HOUSE

Mr. Givens explained that Lake Lure Tours, Inc. is requesting approval from Council to make improvements to the large beach house in keeping with the concept plans submitted. If approved, Mr. Givens noted that he would work with Lake Lure Tours to develop appropriate design plans and secure appropriate permits. Commissioner Moore asked what percentage of visitors to the Beach are Lake Lure residents. Sonya Ledford, Lake Lure Tours Manager, stated around 20%. Commissioner Moore asked about the request to expand food options. Ms. Ledford explained that the Beach currently uses the Lake Lure Inn's catering license and this expansion would allow more opportunities and menu items. She noted that she was unsure of the costs at this time. Commissioner Moore requested a projection of the range of costs and how much income this addition would increase to see what kind of return the Town would be getting as the investor. Ms. Ledford noted she would work on getting this information for Council.

Mr. Givens stated that \$63,000 is in the CIP budget for the Beach/Marina. Around \$10,000 is needed to replace the roof on the large beach house, which is a town obligation. Lake Lure Tours is asking to use the remainder of the budget to pay for their requested improvements. Mr. Baldwin pointed out that the contract specifies that the tenant must pay the costs for upfits. Mr. Givens noted that there are some erosion control measures needed at the Beach due to water runoff from Memorial Highway which is washing out the beach. However, this was not included in this fiscal year's budget but was set aside for next year. Ms. Ledford stated that their requested improvements would take care of the water runoff issues they're having. Commissioner Moore noted he was okay with using what was already budgeted unless there was something else that needed attention more than this project. Mr. Baldwin explained that the Town is obligated to maintain town buildings and make necessary improvements. However, improvements above those necessities are at the expense of the concessionaire according to the terms in the contract. Council agreed to consider the request pending review of project costs. Commissioner Moore noted that the Zoning and Planning Board must review this request before being approved by

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Council. Ms. Ledford noted that the Beach is not currently under inspection of the Health Department but this upgrade would require it.

VI. ADJOURN THE MEETING

With no further business, Commissioner John Moore made a motion to adjourn the meeting at 11:12 a.m. Commissioner David DiOrio seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol Pritchett

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Resolution No. 21-02-09 Deputy Town Clerk

AGENDA INFORMATION:

Agenda Location: Consent
Item Number: B
Department: Administration
Contact: Shannon Baldwin, Town Manager
Presenter: Shannon Baldwin, Town Manager

BRIEF SUMMARY: The WithersRavenel Report recommends moving the title/function/duties of current Deputy Town Clerk Sha'Linda Pruitt (appointed on December 10, 2019 by Resolution No. 19-12-10) to Human Resource Specialist Amy Wright. In keeping with WR's Report, Town Council must rescind Resolution No. 19-12-10 and adopt Resolution No. 21-02-09 to appoint Amy Wright as the new Deputy Town Clerk.

RECOMMENDED MOTION AND REQUESTED ACTIONS: To adopt Resolution No. 21-02-09 appointing Amy Wright as the Deputy Town Clerk and rescinding Resolution No. 19-12-10.

FUNDING SOURCE: n/a

ATTACHMENTS: Resolution No. 21-02-09

STAFF'S COMMENTS AND RECOMMENDATIONS: Staff recommends adoption of the Resolution.



**RESOLUTION NO. 21-02-09
RESCINDING RESOLUTION NO. 19-12-10
DEPUTY TOWN CLERK APPOINTMENT**

WHEREAS, Town Council appointed the current Administrative Support Specialist (Sha'Linda Pruitt) as Deputy Town Clerk on December 10, 2019; and

WHEREAS, said appointment and function/duties of said appointee are recognized on Page 25 of the WithersRavenel Report entitled "Town of Lake Lure Administration Department, Process Improvement Project" dated December 2020; and

WHEREAS, a recommendation is made on Page 17 of said WithersRavenel Report to move title/function/duties of the current Deputy Town Clerk from the Administrative Support Specialist to the Human Resource Specialist (Amy Wright); and

WHEREAS, Town Council now desires to rescind the appointment of the current Administrative Support Specialist as Deputy Town Clerk and appoint the current Human Resource Specialist (Amy Wright) as the new Deputy Town Clerk in keeping with said WithersRavenel Report; and

WHEREAS, the Deputy Town Clerk shall perform the duties/functions of the Town Clerk in those rare occasions and unusual instances when the duly appointed Town Clerk is unavailable to serve; and

NOW, THEREFORE, BE IT RESOLVED that on behalf of the Lake Lure Town Council and the citizens of the Town of Lake Lure, the Lake Lure Town Council rescinds Resolution No. 19-12-10 and appoints Amy Wright as the new Deputy Town Clerk in keeping with this Resolution. This Resolution shall become effective on the date of adoption.

READ, APPROVED AND ADOPTED, this 9th day of February, 2021.

ATTEST:

Michelle Jolley, Town Clerk

Mayor Carol C. Pritchett

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Contract to Audit Accounts – Martin Starnes & Associates, P.A.

AGENDA INFORMATION:

Agenda Location: Consent
Item Number: C
Department: Finance
Contact: Sam Karr, Finance Director
Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: North Carolina General Statute 159-34 requires each municipality to prepare and submit an annual financial report for review by an independent certified public accountant. The purpose of the audit is to provide independent verification that the unit's financial statements are credible and can be relied upon. Attached is the proposed contract to audit accounts by Martin Starnes & Associates, P.A. in the amount of \$32,500.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve an Annual Audit Contract with Martin-Starnes & Associates in the amount of \$34,975.

FUNDING SOURCE: General Fund

ATTACHMENTS: Martin Starnes & Associates Contract

STAFF'S COMMENTS AND RECOMMENDATIONS: Staff recommends approval of the contract. As in the past, the contract will need approval through the Local Government Commission before any audit work can begin.

The of and	Governing Board Town Council
	Primary Government Unit (or charter holder) Town of Lake Lure, NC
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name Martin Starnes & Associates, CPAs, P.A.
	Auditor Address 730 13th Avenue Dr. SE, Hickory, NC 28602

Hereinafter referred to as Auditor

for	Fiscal Year Ending	Audit Report Due Date
	06/30/21	10/31/21

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.
- If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools or hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern.

30. Applicable to charter school contracts only: No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

31. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

32. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

33. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

34. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☒ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:

Title and Unit / Company:

Email Address:

Brian Epley

Consultant, Brian Epley Consulting

bcepley@gmail.com

OR Not Applicable ☐ (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the billings for the last annual audit of the unit submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

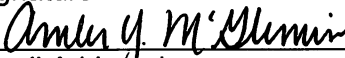
Primary Government Unit	Town of Lake Lure, NC
Audit Fee	\$ See fee section of engagement letter
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$ See fee section of engagement letter
Writing Financial Statements	\$ See fee section of engagement letter
All Other Non-Attest Services	\$ N/A
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$ 24,375.00

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	\$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval (not applicable to hospital contracts)	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Martin Starnes & Associates, CPAs, P.A.	
Authorized Firm Representative (typed or printed)*	Signature*
Amber Y. McGhinnis	
Date*	Email Address*
02/01/21	amcghinnis@martinstarnes.com

GOVERNMENTAL UNIT

Governmental Unit*	
Town of Lake Lure, NC	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)*	Signature*
Carol Pritchett, Mayor	
Date	Email Address
	carolcoulterpritchett@gmail.com

Chair of Audit Committee (typed or printed, or "NA")	Signature
N/A	
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed)	Signature*
Sam Karr, Finance Director	
Date of Pre-Audit Certificate*	Email Address*
	findir@townoflakelure.com

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU*	
N/A	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
N/A	
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
 Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed)*	Signature*
N/A	
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all
 required signatures prior to submission.

PRINT



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

To the Shareholders of Martin Starnes & Associates CPAs, P.A. and the
Peer Review Committee, North Carolina Association
Of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. (the firm) in effect for the year ended December 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates CPAs, P.A. in effect for the year ended December 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates CPAs, P.A. has received a peer review rating of pass.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 3, 2018

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3500 Westgate Drive
Suite 203
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

February 1, 2021

Sam Karr, Finance Director
Town of Lake Lure
2948 Memorial Highway
Lake Lure, NC 28746

You have requested that we audit governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Lake Lure, NC, as of June 30, 2021, and for the year then ended, and the related notes, which collectively comprise the Town of Lake Lure's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that certain supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Law Enforcement Officers' Special Separation Allowance schedules
- Retiree Health Benefit Fund schedules
- Other Post-Employment Benefits' schedules
- Local Government Employees' Retirement System's schedules

Supplementary information other than RSI will accompany the Town of Lake Lure's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Combining and individual fund financial statements
- Budget and actual schedules
- Supplemental ad valorem tax schedules

We will make reference to the component unit auditor's audit of the Town of Lake Lure ABC Board in our report on your financial statements.

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and the direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph(s). If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to

form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Town of Lake Lure's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
7. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work (if applicable);
8. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.
9. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant roles in internal control and others where fraud could have a material effect on the financials; and
10. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic

financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We will perform the following nonattest services:

- Draft of financial statements and footnotes
- GASB 34 conversion entries
- Preparation of AFIR
- Preparation of LGC's data input worksheet
- Capital asset & depreciation listing maintenance

We will not assume management responsibilities on behalf of the Town of Lake Lure. However, we will provide advice and recommendations to assist management of the Town of Lake Lure in performing its responsibilities.

With respect to any nonattest services we perform as listed above, the Town of Lake Lure's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards.
- This engagement is limited to the services previously outlined. Our firm, in its sole professional judgement, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account codings and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the Town of Lake Lure's basic financial statements. Our report will be addressed to the governing body of the Town of Lake Lure. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the basic financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

During the course of the engagement, a portal will be in place for information to be shared, but not stored. Our policy is to terminate access to this portal after one year. The Town is responsible for data backup for business continuity and disaster recovery, and our workpaper documentation is not to be used for these purposes.

Provisions of Engagement Administration and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Erica Brown is the engagement partner for the audit services specified in this letter. Her responsibilities include supervising Martin Starnes & Associates, CPAs, P.A.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report. To ensure that our independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fees for these services are as follows:

Audit Fee	\$ 29,600
Single Audit Fees (if applicable)	1,500
Financial Statement Drafting	3,875
Other Non-Attest Services	-
	<u>\$ 34,975</u>

Our invoices for these fees will be rendered in four installments as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our reports. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Town of Lake Lure's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

If we determine that we are required to perform a single audit in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, and these procedures and related fees were not included in our quoted fees, we may amend our audit contract and supplemental bill for these additional procedures.

We want our clients to receive the maximum value for our professional services and to perceive that our fees are reasonable and fair. In working to provide you with such value, we find there are certain circumstances that can cause us to perform work in excess of that contemplated in our fee estimate.

Following are some of the more common reasons for potential supplemental billings:

Changing Laws and Regulations

There are many governmental and rule-making boards that regularly add or change their requirements. Although we attempt to plan our work to anticipate the requirements that will affect our engagement, there are times when this is not possible. We will discuss these situations with you at the earliest possible time in order to make the necessary adjustments and amendments in our engagement.

Incorrect Accounting Methods or Errors in Client Records

We base our fee estimates on the expectation that client accounting records are in order so that our work can be completed using our standard testing and accounting procedures. However, should we find numerous errors, incomplete records, or the application of incorrect accounting methods, we will have to perform additional work to make the corrections and reflect those changes in the financial statements.

Failure to Prepare for the Engagement

In an effort to minimize your fees, we assign you the responsibility for the preparation of schedules and documents needed for the engagement. We also discuss matters such as availability of your key personnel, deadlines, and work space. If your personnel are unable, for whatever reasons, to provide these items as previously agreed upon, it might substantially increase the work we must do to complete the engagement within the scheduled time.

Starting and Stopping Our Work

If we must withdraw our staff because of the condition of the client's records, or the failure to provide agreed upon items within the established timeline for the engagement, we will not be able to perform our work in a timely, efficient manner, as established by our engagement plan. This will result in additional fees, as we must reschedule our personnel and incur additional start-up costs.

Our fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our fees for such services range from \$75-\$300 per hour.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Martin Starnes & Associates, CPAs, P.A. and constitutes confidential information. However, we may be requested to make certain audit documentation available to the Local Government Commission, Office of the State Auditor, federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Martin Starnes & Associates, CPAs, P.A.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm to the Contract to Audit Accounts for your consideration and files.

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements, including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of the Town of Lake Lure.

Acknowledged and agreed on behalf of the Town of Lake Lure by:

Name: _____

Title: _____

Date: _____

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Lake Lure Fire Department Relief Fund Board Appointments

AGENDA INFORMATION:

Agenda Location: Consent
Item Number: D
Department: Fire Department
Contact: Dustin Waycaster, Fire Chief
Presenter: Dustin Waycaster, Fire Chief

BRIEF SUMMARY: Each year Lake Lure Fire Department has to approve a board of trustees to oversee our North Carolina State Firefighters Association Relief Fund. This is made up of five people and the Fire Chief sits as Chair of the board. Our board traditionally had Sam Karr and the serving mayor on it. Lake Lure Fire Department would like to request that our commissioners appoint Sam Karr and Mayor Carol Pritchett to be members of our Relief Fund Board of Trustees.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Appoint Mayor Carol Pritchett and Finance Director Sam Karr to the Lake Lure Fire Department Relief Fund Board.

FUNDING SOURCE: n/a

ATTACHMENTS: n/a

STAFF'S COMMENTS AND RECOMMENDATIONS: Staff recommends Council appoint Carol and Sam to the LLFD Relief Fund Board.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Budget Amendment #297 to cover overtime in the Public Works Department.

AGENDA INFORMATION:

Agenda Location: Consent
Item Number: E
Department: Public Works
Contact: Sam Karr, Finance Director
Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: Overtime has not been budgeted in the Public Works Department and an employee accrued more than the allotted 240 hours of the maximum comp time required by FLSA. The Town is required to pay out this overtime because the employee has used more than 240 hours of allotted compensation.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve Budget Amendment #297.

FUNDING SOURCE: Fund Balance

ATTACHMENTS: Budget Amendment #297

STAFF'S COMMENTS AND RECOMMENDATIONS: Staff recommends approval of Budget Amendment #297.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2021:

Department: Public Works-Overtime

Purpose: To cover overtime that was not included in budget

Section 1. To amend the General Fund, expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
101	10-451000		\$1,000	\$1,000

To provide the additional expenditures for the above, the following revenues will be recognized:

Account Name: **Transfer from Fund Balance**

Account Number: **10-398604**

Amount: **\$1,000**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2021.

X

NEW BUSINESS

- Request from Brian and Jenny Lail to Remove a Tree Within the Lake Boundary
- Dam Options Discussion and Decision
- Adoption of Dredging Budget to Comply with Grant Received from NCDEQ

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Request from Brian and Jenny Lail to remove a tree within the lake boundary.

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: A
Department: Community Development
Contact: Mitchell Anderson, Assistant Community Development Director
Presenter: Mitchell Anderson, Assistant Community Development Director

BRIEF SUMMARY: Brian and Jenny Lail are request to remove a tree within the lake boundary.

RECOMMENDED MOTION AND REQUESTED ACTIONS: To (approve/deny) the request from Brian and Jenny Lail to remove a tree within the lake boundary.

FUNDING SOURCE: n/a

ATTACHMENTS: tree images

STAFF'S COMMENTS AND RECOMMENDATIONS:

Pursuant to § 94.15 of the Town's Lake Structure Regulations, the cutting of standing trees at or below the lake boundary required Town Council approval.

The removal of this tree will not disturb more than 10% of the Trout Buffer and will not require a Trout Buffer Variance.

Replanting a new tree or shrub with a species in the Lake Lure Tree Management Handbook is recommended.



**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Dam options discussion and decision.

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: B
Department: Administration
Contact: Shannon Baldwin, Town Manager
Presenter: Kurt Wright, SDG Engineering

BRIEF SUMMARY:

RECOMMENDED MOTION AND REQUESTED ACTIONS: TBD

FUNDING SOURCE: n/a

ATTACHMENTS: Dam Report

STAFF'S COMMENTS AND RECOMMENDATIONS: The purpose of this report is to present a status update to Council regarding the Dam including recommended actions.

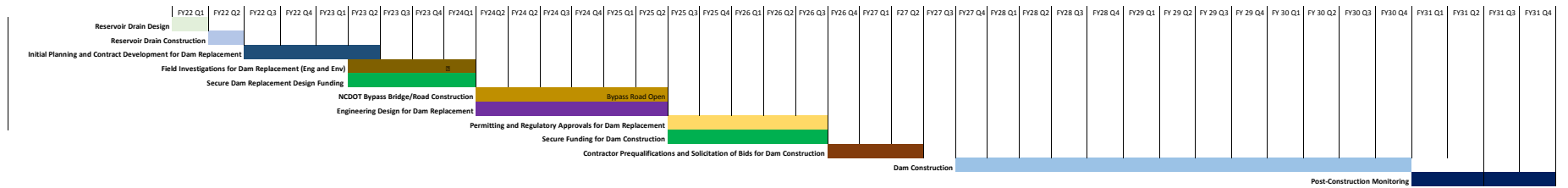
Motions made during the February 5, 2021 Special Town Council
Meeting

III. DAM DISCUSSION WITH SCHNABEL ENGINEERING
--

Commissioner DiOrio made a motion to have the Town of Lake Lure adopt the policy of proceeding towards construction of a new dam for Lake Lure. Commissioner Moore seconded and the motion carried 4-0.

Commissioner DiOrio made a motion to have the Town of Lake Lure adopt the notional timeline he presented and to provide it to Schnabel for further development and presentation to the North Carolina Department of Environmental Quality. Commissioner Kilby seconded and the motion carried 4-0.

Lake Lure Dam
High-Level Schedule for Dam Replacement
February 2021





163 Heritage Lane, Bostic, NC 28018 • 828.245.4080 office • 828.223.2265 mobile • 828.245.2189 fax

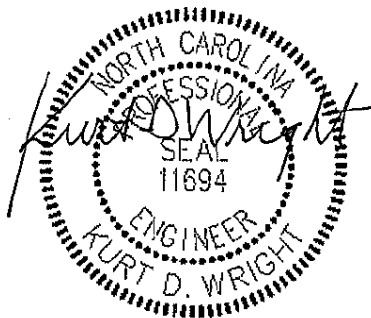
Report to The Town of Lake Lure, North Carolina

STATUS OF THE LAKE LURE DAM

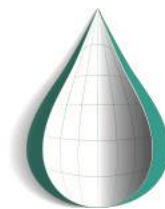
Presented to: Mr. Shannon Baldwin
Town Manager
2948 Memorial Highway
Lake Lure, NC 28746

Prepared by: SDG Engineering, Inc.
163 Heritage Lane
Bostic, Nc 28018
NC License C-2366

Project Number: 2020-111
Date: January 19, 2021



January 19, 2021

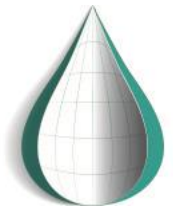


Contents

EXECUTIVE SUMMARY	1
1.0 INTRODUCTION	1
2.0 WEBEX VIDEO CONFERENCE WEDNESDAY, JANUARY 6, 2021	2
3.0 FACTORS TO CONSIDER.....	3
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APPENDICES

APPENDIX A	Graphic - WebEx Call January 6, 2021
APPENDIX B	Revised Graphic - WebEx Call January 6, 2021



EXECUTIVE SUMMARY

The purpose of this Report is to present a status update to the Board of Commissioners of the Town of Lake Lure regarding the Lake Lure Dam including recommended actions.

In the judgement of SDG Engineering, and functioning in the role as the Town Engineer, the risk associated with this Dam is high.

The recommended actions are presented below as sequential steps.

1. Review

All pertinent personnel associated with the Town of Lake Lure should review the Schnabel Report, which presents the Options for the Dam, and read this Report in light of that review.

2. Deliberate

All pertinent personnel associated with the Town of Lake Lure, especially the elected officials, should have a thorough and robust deliberation regarding which of the two options to pursue (Rehabilitate or New) during the upcoming January 27, 2021 Town of Lake Lure Workshop Meeting. Although an official decision would not be made in that Workshop meeting, there should be a general consensus by the end of the meeting as to which path to choose.

3. Vote

At the next Board of Commissioners meeting on February 9, 2021, vote on which option to pursue and authorize step number 4. to be undertaken.

4. Develop

The town should then develop a plan of action to implement the option chosen by the elected officials. The town should consider requesting their current Dam Engineers, Schnabel Engineering, to assist in the development of this schedule. This process should include a dialog with the NC state Dam Safety Office.

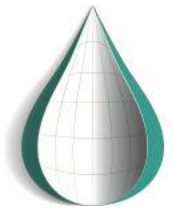
5. Approve

Approve of this schedule and formally submit it to the NC State Dam Safety Office on or before February 26, 2021 in accordance with item 4. in Section 3.0 of this Report.

1.0 INTRODUCTION

The purpose of this Report is to present a status update to the Board of Commissioners of the Town of Lake Lure regarding the Lake Lure Dam. It will present a framework for decision making to the Board of Commissioners of the Town of Lake Lure regarding the Lake Lure Dam.

A WebEx video meeting was conducted on Tuesday, December 29, 2020, with various representatives of the Town of Lake Lure to discuss the upcoming lake draw down. During that meeting, issues pertaining to the future of the Dam were discussed. Town Manager Shannon Baldwin directed Town Engineer Kurt Wright, P.E., to contact George Eller, NC State Dam Safety Engineer, as well as Jonathan Pittman, P.E., and Mark Landis, P.E. with Schnabel Engineering, to discuss the life expectancy of the existing Dam. This



discussion was to be exclusively between engineers regarding the life expectancy of the existing Dam. A WebEx video meeting with Dam Safety and Schnabel Engineering was therefore conducted on Wednesday, January 6, 2021. The following representatives attended this meeting.

1. Kurt Wright, P.E., Town Engineer
2. George Eller, State Dam Safety Engineer, NC Division of Energy, Mineral and Land Resources, Dam Safety - Raleigh Office
3. Toby Vinson, NC Division of Energy, Mineral and Land Resources, Dam Safety - Raleigh Office
4. Stan Aiken, NC Division of Energy, Mineral and Land Resources, Dam Safety - Asheville Regional Office
5. Mark Landis, P.E., Schnabel Engineering
6. Jonathan Pittman, P.E., Schnabel Engineering

Kurt Wright, P.E., prepared a graphic which was to be used to frame the discussion during the WebEx meeting. It was based on the Rehabilitation option, which was randomly chosen for the purpose of this graphic, the New Dam option could just as easily have been chosen. Identifying the Rehabilitation option in this graphic is not to be construed as the recommended option in this Report, that has yet to be decided. This graphic was emailed to all the invited participants to the WebEx video meeting. It is presented in Appendix A. The purpose of the graphic was to establish the useful life expectancy of the existing Dam. Then from that life expectancy to determine how much time the town has to make a decision on which of the two viable options in Schnabel's Engineering Report¹ to implement.

1. REHABILITATE

Rehabilitate the existing Dam with Option 2B "Downstream Infilling"

2. NEW

Replace the existing Dam with a brand-new Dam

The key points raised during this telephone call are discussed in the next section.

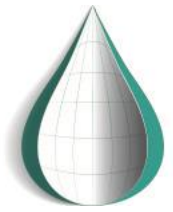
2.0 WEBEX VIDEO CONFERENCE WEDNESDAY, JANUARY 6, 2021

George Eller, State Dam Safety Engineer, established very quickly during the WebEx meeting that the paradigm presented by Kurt Wright, P.E. in his graphic (Appendix A) did not represent the paradigm of the NC State Dam Safety Office. From their perspective the main issue with the Dam is risk. This Report is not intended to be conclusive regarding the issues pertaining to risk, nor is it the goal of this report to copy all the issues raised in the Schnabel report. However, there were three key issues discussed during the meeting regarding risk and they are presented below.

1. PMP

A PMP is "Probable Maximum Precipitation." It is theoretically the greatest depth of precipitation for a given duration that is physically possible over a given size storm area at a particular geographic location at a given time of the year. In Schnabel's report, it was clearly stated that the existing Dam cannot pass the PMP. Therefore, if the PMP were to occur there could be catastrophic consequences, including Dam failure.

¹ Evaluation of Rehabilitation Alternatives, Lake Lure Dam (RUTHE-003), Town of Lake Lure, Rutherford County, NC, Schnabel Reference #18C21024.01, February 19, 2020



2. Earthquake

Should an earthquake occur near the Dam it is not designed to current NC codes for structural stability under seismic loading conditions. Therefore, if an earthquake were to occur near the Dam there could be catastrophic consequences, including Dam failure.

3. Aging

The Dam was completed in September 1926; therefore, this September 2021 the Dam will be 95 years old. There have been no major structural renovations to bring the Dam to NC standards. The town is directed to the condition assessment documentation presented to the town by Schnabel Engineers as well as their subsequent report² on the alternatives to rehabilitate or replace the dam. These documents identify issues related to the aging of the Dam and lack of improvements over time.

As stated earlier, there are other issues with the existing Dam which will not all be discussed in this report. However, it can be said that if any one of the three items identified above were to occur, the existing Dam is in jeopardy of catastrophic failure. ***Therefore, in the judgement of SDG Engineering, and functioning in the role as the town engineer, the risk associated with this existing Dam is high.***

Making the paradigm shift to that of the NC State Dam Safety Office can be illustrated by modifying the original graphic regarding the Dam (Appendix A) to focus on RISK. Everything related to the existing Dam should be considered under the umbrella of RISK. In other words – the Dam is at a high level of risk. This revised graphic with risk included is presented in Appendix B.

3.0 FACTORS TO CONSIDER

There were other key items that were discussed during this WebEx meeting. They have been condensed and summarized into four major categories.

1. Risk

The NC State Dam Safety Office (Dam Safety) is focused on risk. A catastrophic event can take down the dam. The two most notable events are a PMP event and an earthquake. Therefore, they believe the time has passed for the town to act to mitigate this risk.

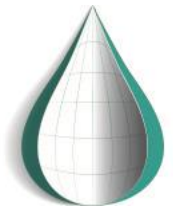
2. Dam Safety Order

Dam Safety reiterated that they possess the authority to issue a “Dam Safety Order”. If they do that, decision making is essentially taken out of the hands of the Town of Lake Lure. Under a Dam Safety Order the town must do what Dam Safety dictates. Failure to follow the Dam Safety Order would lead to penalties, fines, and other serious consequences. Dam Safety does not wish to issue such an order and desires for the town to make a decision now regarding which path they wish to pursue in order to address the current risk associated with this Dam and present to Dam Safety a schedule to implement their decision by the end of February.

3. Hydroelectric

Dam Safety does not take into consideration the hydroelectric facility. They believe this to be a minor issue in comparison to risk. Delaying a decision because the town is not sure which way to go with the hydroelectric facility has no bearing with the Dam Safety engineers. Requesting Dam

² Evaluation of Rehabilitation Alternatives, Lake Lure Dam (RUTHE-003), Town of Lake Lure, Rutherford County, NC, Schnabel Reference #18C21024.01, February 19, 2020



Safety to allow additional time to act regarding the current risk posed by the existing Dam in order to decide which option to pursue regarding the hydroelectric facility is not an option.

4. Decision by the end of February

George Eller, State Dam Safety Engineer, stated that he wants to receive a formal submission from the town by the end of February regarding two things: a decision on which option the town is going to pursue and a schedule for the next steps to implement that option.

Messrs. Eller, Vinson, Aiken, Pittman, and Landis were each provided a draft copy of this report so that they might review the manner in which the WebEx meeting was presented in this Report. This was done in order to obtain their input, comments, corrections or revisions. No feedback was provided by any of these individuals, therefore, it is considered to be an accurate characterization of that meeting.

4.0 FUNDING

Funding the option chosen by the town is certainly a critical topic and will require careful analyses, study, and deliberation. It will also involve taking action on many fronts to obtain any available assistance that there may be in terms of funding packages under various State and Federal programs. However, that said, discussing the topic of funding the selected option is not part of this Report. That is because this Report focuses on risk.

A decision must be made now, a plan of action must be developed now, and that decision and plan of action must be submitted to the NC State Dam Safety Office by the end of February. Failure to do so jeopardizes the town to being placed under a Dam Safety Order.

5.0 RECOMMENDATIONS

The recommended actions are presented below as sequential steps.

1. Review

All pertinent personnel associated with the Town of Lake Lure should review the Schnabel Report, which presents the Options for the Dam, and read this Report in light of that review.

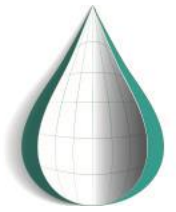
2. Deliberate

All pertinent personnel associated with the Town of Lake Lure, especially the elected officials, should have a thorough and robust deliberation regarding which of the two options to pursue (Rehabilitate or New) during the upcoming January 27, 2021 Town of Lake Lure Workshop Meeting. Although an official decision would not be made in that Workshop meeting, there should be a general consensus by the end of the meeting as to which path to choose.

3. Vote

At the next Board of Commissioners meeting on February 9, 2021, vote on which option to pursue and authorize step number 4. to be undertaken.

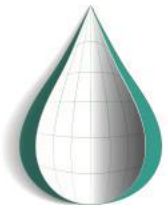
4. Develop



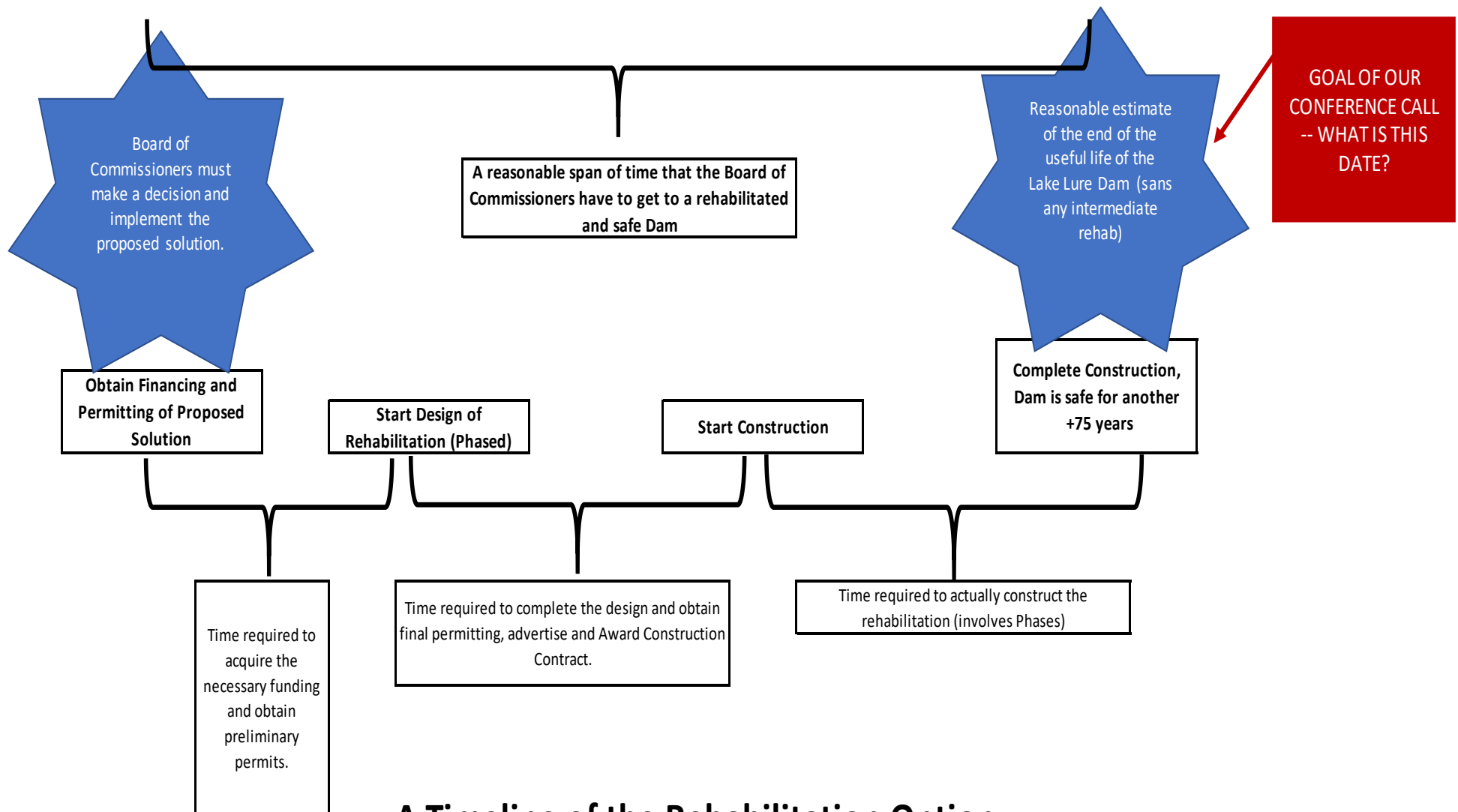
The town should then develop a plan of action to implement the option chosen by the elected officials. The town should consider requesting their current Dam Engineers, Schnabel Engineering, to assist in the development of this schedule. This process should include a dialog with the NC state Dam Safety Office.

5. Approve

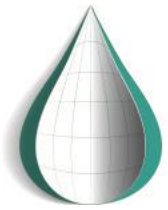
Approve of this schedule and formally submit it to the NC State Dam Safety Office on or before February 26, 2021 in accordance with item 4. in Section 3.0 of this Report.



APPENDIX A



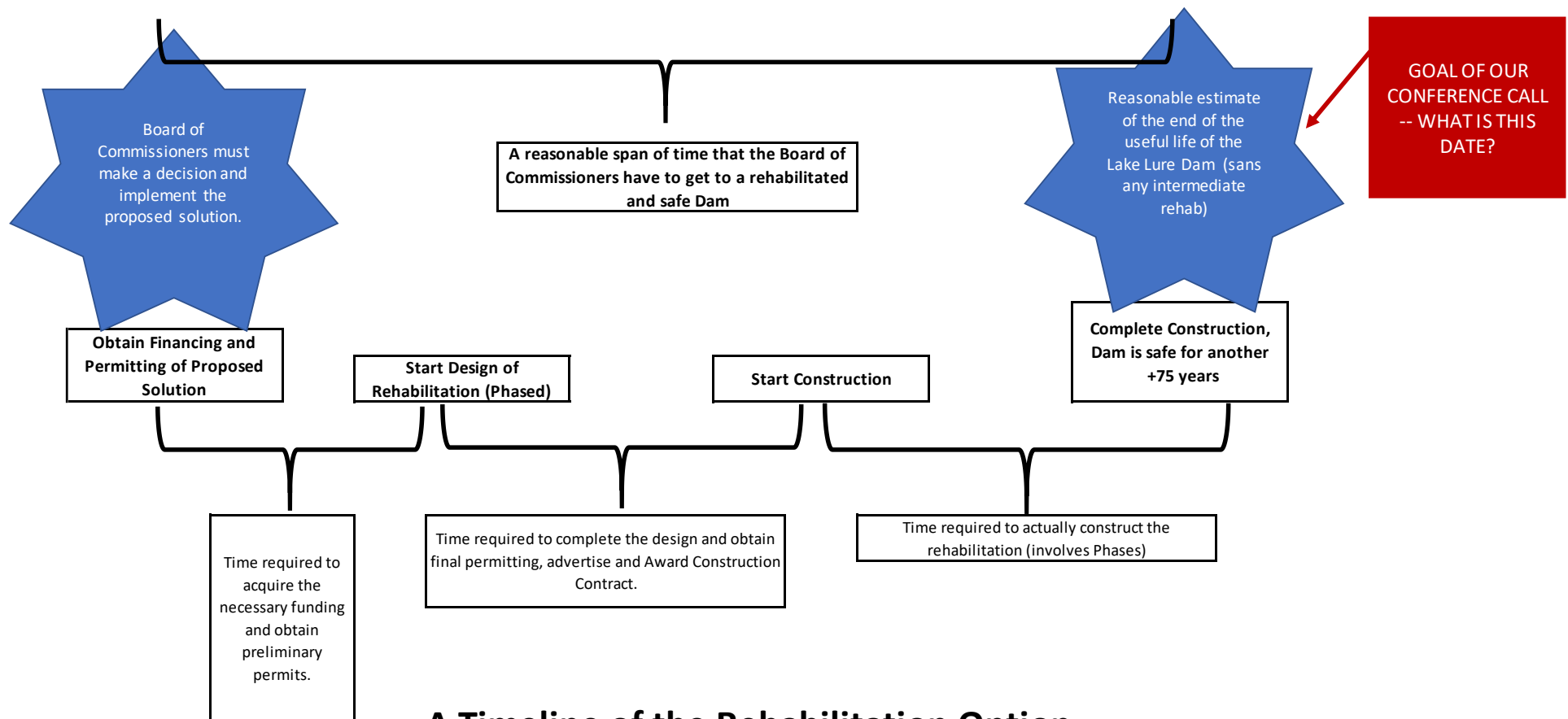
A Timeline of the Rehabilitation Option



APPENDIX B

RISK

RISK OF FAILURE EXISTS THROUGHOUT THIS PROCESS
(PMP Event, Seismic Activity due to an earthquake, aging, etc.)



A Timeline of the Rehabilitation Option

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: February 9, 2021

SUBJECT: Dredging Budget

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: C
Department: Administration
Contact: Parks, Recreation, and Lake Director Dean Givens
Presenter: Parks, Recreation, and Lake Director Dean Givens

BRIEF SUMMARY: The Town received a dredging grant from DEQ in the amount of \$637,500 with a 25% town match (212,500). Attached is the proposed grant budget for your consideration.

RECOMMENDED MOTION AND REQUESTED ACTIONS: To adopt the dredging budget to comply with grant received from NC DEQ.

FUNDING SOURCE: n/a

ATTACHMENTS: Dredging Budget

STAFF'S COMMENTS AND RECOMMENDATIONS: Staff recommends adoption of the dredging budget.



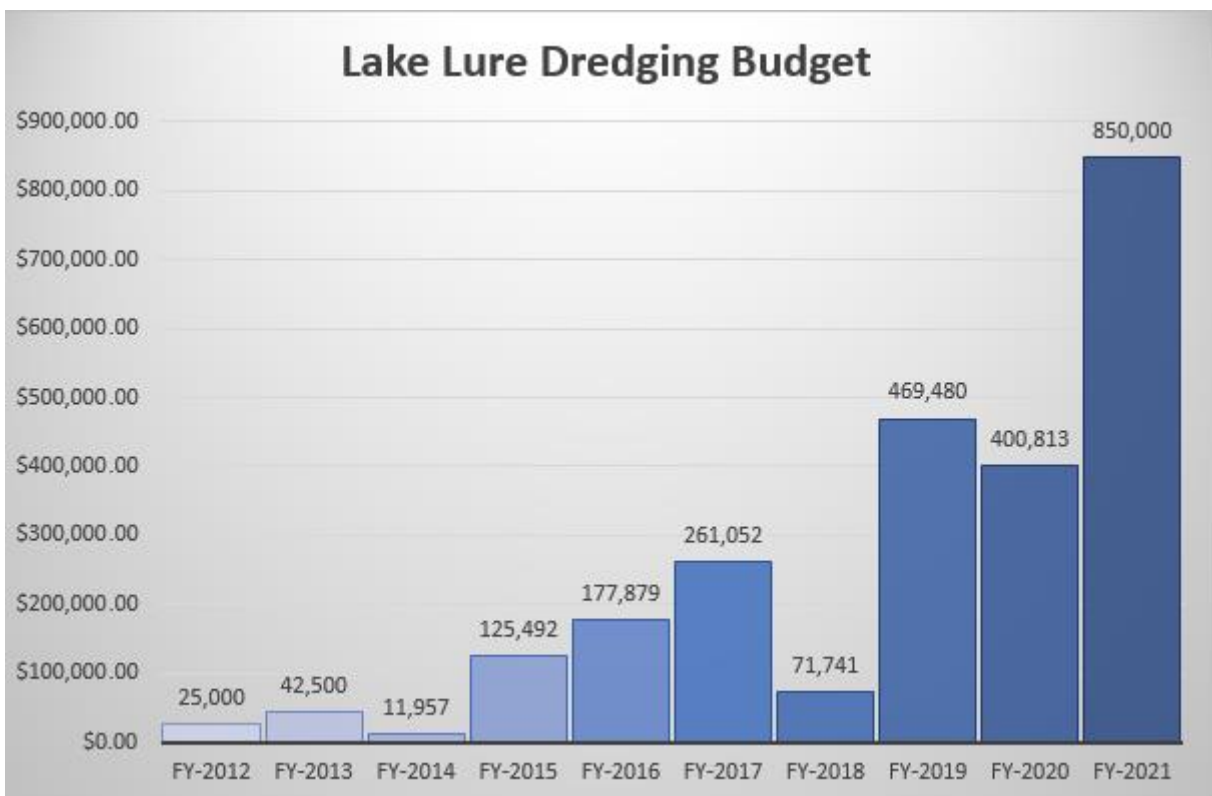
PARKS, RECREATION, & LAKE DEPARTMENT

Director Dean Givens

Dredging Grant Update

We have exciting news! The 2021 Dredging Grant that we applied for has been approved. We received a total of \$637,000 from the Department of Environmental Quality (DEQ) to assist in our dredging needs this year. It is the largest dredging grant to date and the Town of Lake Lure, being a Tier 1 county, was only required to provide a 25% match, which was \$212,500. This is down from the 50% match we were required to provide in the past.

The Town has been increasing our investment in dredging over the last 10 years. The graph below illustrates the funding allocated by the Town for dredging each fiscal year.



The original budget that was submitted for the 2020-2021 fiscal year is listed below.

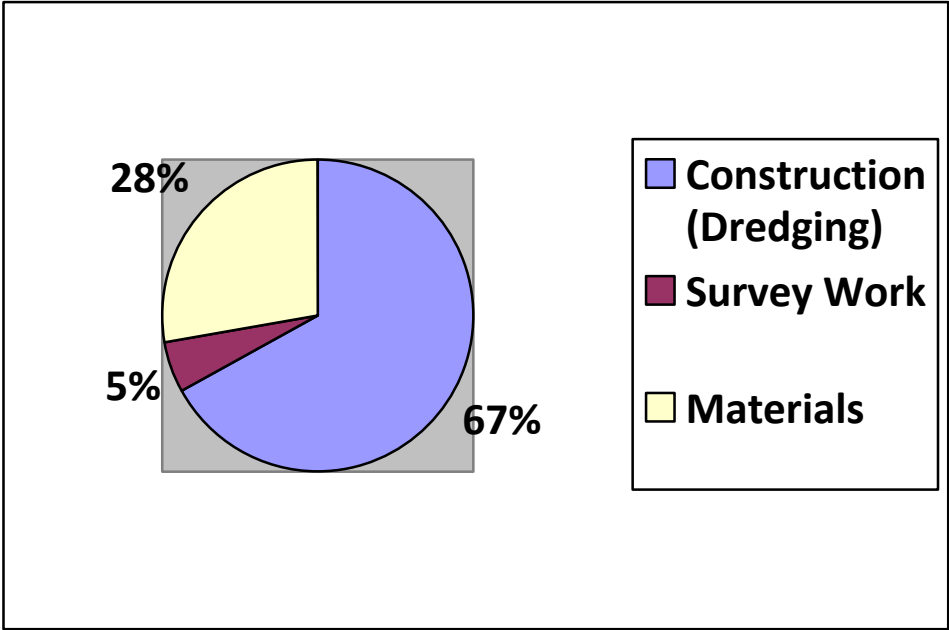
1. Project Title		Town of Lake Lure General Navigation Dredging Project				
	State DWR	Local / Municipal Match	Other Non- Federal Match	Federal Contribution	Local + Other Non-Federal Match Total	Category Total
Administration						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Design						
Cash	\$60,000.00				\$0.00	\$60,000.00
In-kind					\$0.00	\$0.00
Permitting						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Survey						
Cash	\$45,000.00				\$0.00	\$45,000.00
In-kind					\$0.00	\$0.00
Construction Oversight						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Construction						
Cash	\$387,500.00	\$212,500.00			\$212,500.00	\$600,000.00
In-kind					\$0.00	\$0.00
Construction Materials						
Cash	\$145,000.00				\$0.00	\$145,000.00
In-kind					\$0.00	\$0.00
Land						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Cash Sub-total	\$637,500.00	\$212,500.00	\$0.00	\$0.00	\$212,500.00	\$850,000.00
In-kind Sub-total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$637,500.00	\$212,500.00	\$0.00	\$0.00	\$212,500.00	\$850,000.00
DWR Total =	\$637,500.00	Local + Non-Fed Total =		\$212,500.00	Non-Federal % =	100.00%
DWR Match % =	75.00%	Local + Non-Fed Match % =		25.00%	Federal % =	0.00%

The amounts in each line item are fluid and can be moved around, as needed.

After researching some much-needed dredging equipment, we have amended the budget to allow for the purchase of this equipment. See below for the proposed 2021 dredging budget with recommended updates.

1. Project Title		Town of Lake Lure General Navigation Dredging Project				
	State DWR	Local / Municipal Match	Other Non- Federal Match	Federal Contribution	Local + Other Non-Federal Match Total	Category Total
Administration						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Design						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Permitting						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Survey						
Cash	\$45,000.00				\$0.00	\$45,000.00
In-kind					\$0.00	\$0.00
Construction Oversight						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Construction						
Cash	\$356,500.00	\$212,500.00			\$212,500.00	\$569,000.00
In-kind					\$0.00	\$0.00
Construction Materials						
Cash	\$236,000.00				\$0.00	\$236,000.00
In-kind					\$0.00	\$0.00
Land						
Cash					\$0.00	\$0.00
In-kind					\$0.00	\$0.00
Cash Sub-total	\$637,500.00	\$212,500.00	\$0.00	\$0.00	\$212,500.00	\$850,000.00
In-kind Sub-total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$637,500.00	\$212,500.00	\$0.00	\$0.00	\$212,500.00	\$850,000.00
DWR Total =	\$637,500.00	Local + Non-Fed Total =		\$212,500.00	Non-Federal % =	100.00%
DWR Match % =	75.00%	Local + Non-Fed Match % =		25.00%	Federal % =	0.00%
Budget Breakdown:						
Survey:		\$45,000 for Survey Work				
Construction:		\$569,000 for Dredging				
Construction Materials:		\$236,000 for equipment: *\$100,000 for Dredging Barge *\$96,000 for Weedoo Dredging Boat *\$40,000 for Dredging Spoils Pit Maintenance				

With this new budget, 67% of the funds would go towards dredging the lake, 28% would be utilized for materials/equipment, and 5% would be used for survey work.



The construction materials line item includes funding for the Parks, Recreation, and Lake Department to create an Emergency Action Plan (EAP) for the unlikely events of a sewer line break inside the lake. This EAP would include multiple contractors with the technology, equipment, and education to rapidly respond and repair a subaqueous sewer line break.

This line item also includes funding for a dredge barge, a Weedoo dredge boat, and dredging spoils pit maintenance. We have listed details about each piece of equipment on the following pages.

Weedoo Dredge Boat

The Weedoo dredge boat is a powerhouse that will allow us to reach places in the lake that we have not been able to in the past due to shallow water and confined spaces. The dredge attachment will allow us to dredge under docks and in small coves that are inaccessible to larger dredge boats. This boat also has attachments that will also allow us to remove floating debris from the lake that can close down the lake to boaters.



Weedoo shown with dredge attachment.



Weedoo shown with loading attachment.



Weedoo shown in operation with loading attachment.

Dredge Barge

The dredge barge we are wanting to purchase is 12 foot wide and 32 foot long. Below are a few samples.



Mini Excavator for Dredging

Mini excavators are perfect for use on dredge barges. They can be used to lift logs and other debris out of the way, remove silt from the lake, and much more. We are still researching brands of mini excavators. The Kubota 16 and the John Deere 17G are examples listed below.



Kubota 16



John Deere 17G

XI

CLOSED SESSION

- In Accordance with G.S. 143-318.11(a)(3) for the Attorney Client Privilege or Legal Claims and with G.S. 143-318.11(a)(5) for the purpose of discussing property acquisition or employment contracts.