

Town of Lake Lure

P. O. Box 255 • Lake Lure, NC 28746-0255 • 704/625-9983 • FAX 704/625-8371

Incorporated 1927

MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL HELD TUESDAY, JULY 12, 1994, 9:30 A.M. AT THE LAKE LURE COMMUNITY CENTER

PRESENT: Mayor Max E. Lehner
Mayor Pro-tem Bud Schichtel
Commissioner Bill Bush
Commissioner Bill Church

Thomas M. Hord, Town Manager
Sam Karr, Finance Director

ABSENT: Commissioner Jack Donovan

CALL TO ORDER

Mayor Lehner called the meeting to order at approximately 9:30 a.m. Mayor Lehner requested the Clerk to note that a quorum was present.

INVOCATION

Town Manager Hord gave the invocation.

AUDIENCE OF CITIZENS

No persons signed up to speak under audience of citizens.

REVIEW PLANS FOR NEW GOVERNMENT CENTER

Architect Carroll Hughes, Spaceplan Architecture, Interiors and Planning, PA, gave a presentation on the latest revised design proposed for the new Town Hall, Police Department, and Community Center combined into one building.

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Mr. Hughes introduced Michael McDonald who is responsible for all the major requested design changes which were submitted to Council. Mr. McDonald presented Council with an updated revision of the design plan and asked for their comments and input on any additional changes that might be needed.

Council discussed whether or not to add an overhead sprinkler system. Mr. Hughes told Council that they could expect to pay about \$70,000 for a system and said that state fire codes don't require automatic sprinklers for the new building.

Mr. Hord recommended that Council consider installing a fire alarm as part of the building's security system, and allow the four volunteer fire departments to respond in case of smoke or flames.

<p>DISCUSS DEADLINES THAT NEED TO BE MET AND FINANCING FOR NEW GOVERNMENT CENTER</p>

Dennie Martin, a representative of McGill Associates, presented Council with the following memo of July 12, 1994 regarding financing for proposed municipal improvements.

The attached pro-forma summarizes the estimated cost of the proposed municipal building improvements, including the renovations to the present town hall facility. In addition, four (4) alternative financing terms with the relative debt service payments are provided for your consideration.

As indicated, the estimated total project cost is \$1,002,950. The amortization plan assumes 6-month payment intervals. Based upon the principal amount, it is recommended that either the 5-year or the 7-year term be pursued for the project financing.

We are becoming concerned about the project schedule. At this point, it is important that the project receive the approval of the North Carolina Local Government Commission in its October meeting, in order to avoid starting project construction too late in the year and risking the possibility of weather problems.

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The following schedule is recommended for the Town's consideration:

Preliminary meeting with LGC	August 2, 1994
Advertise for construction bids	September 6, 1994
Submit financing application to LGC	September 19, 1994
Solicitation of financing proposals	September 10 or 15, 1994
Receive construction bids	September 30, 1994
Local Government Commission Approval	October 10, 1994
Start Construction	October 21, 1994
Complete construction	July 15, 1995

It very important that this schedule be adopted and adhered to strictly in order to avoid serious delays to winter construction. In addition, the interests trends are upward and any unnecessary delays will probably result in added project financing expense to the Town. (Copy attached)

Commissioner Bush moved, seconded by Commissioner Schichtel, to approve the seven (7) year installment finance plan with a no prepayment penalty; accept the recommended schedule by Dennie Martin as presented and authorize Architect Carroll Hughes to proceed with his responsibilities. The vote of approval was unanimous.

**CONSIDER ORDINANCE TO AMEND CONSTRUCTION AND
USE ORDINANCE TO PROVIDE FOR LIABILITY INSURANCE**

Council reviewed the following proposed amendment to the Construction and Use of Structures on Lake Lure Ordinance.

ORDINANCE

**AN ORDINANCE TO AMEND THE CONSTRUCTION
AND USE OF STRUCTURES ON LAKE LURE ORDINANCE**

WHEREAS, the Town Council of the Town of Lake Lure, North Carolina, upon recommendation and advice of the Lake Advisory Committee, and after due deliberations deems it in the best interest of the health, safety and welfare of the Town to enact a certain amendment to the existing ordinance;

NOW, THEREFORE, be it ordained by the Town of Lake Lure, North Carolina meeting in regular session and with a majority of Councilmen voting in the affirmative:

To amend Section 4 of said by deleting all of Section 4 and placing in its stead the following:

SECTION 4. LIABILITY INSURANCE. All property owners having structures on Lake Lure (including existing lake structures as well as future lake structures) must at all times keep and maintain in force, at their sole expense, public liability insurance against claims for bodily injury, death or property damage occurring in or about the lake structure in the amount of at least \$500,000 per person. Prior to applying for a Lake Structure Permit, proof of this liability insurance must be provided the Town pursuant to Section 3(g).

This ordinance shall become effective upon its adoption.

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Commissioner Bush moved, seconded by Commissioner Church, to adopt the amendment to the Construction and Use of Structures on Lake Lure Ordinance as presented and set the liability insurance amount of at least \$500,000 per person. The vote of approval was unanimous.

**PRESENTATION OF PERSONNEL, CLASSIFICATION AND
COMPENSATION PLAN**

Town Manager Hord presented Council with a revised copy of the Lake Lure Pay and Classification Plan and Personnel Policy. It was the consensus of Council to table the adoption of this plan and policy until the July 26, 1994 Regular Council Meeting.

DISCUSS SIGN POLICY

It was the consensus of Council to table discussion about sign policy until the next Regular Council Meeting.

OTHER OLD BUSINESS

Council agreed to give approval to the Town Manager to hire a consultant to study the radio communications system for the Police Department and Public Works Department.

Council instructed the Town Manager to erect a sign at the Community Center parking lot telling boaters leaving boat trailers there for more than 24 hours is not permitted.

PROPOSAL FOR TOPOGRAPHIC MAPPING -- GOLF COURSE

Council agreed to refer the proposal from McGill Associates to provide a topographic map of the Lake Lure Golf Course property for the design of nine

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(9) additional holes to the Golf Course Committee for review. (Copy of proposal attached).

OTHER NEW BUSINESS

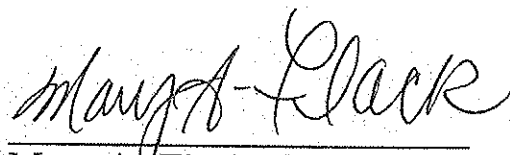
There was no other new business.

COUNCIL COMMENTS

Mayor Lehner announced that the next Regular Council Meeting will be held on Tuesday, July 26, 1994, 7:30 p.m. at the Lake Lure Community Center.

With no further items of discussion, Commissioner Bush moved, seconded by Commissioner Church, to adjourn the Council meeting. The vote of approval was unanimous.

ATTEST:



Mary A. Flack, CMC/AAE
Town Clerk



Mayor Max E. Lehner





MARTIN / MCGILL, INC.

MEMORANDUM

TO: TOWN OF LAKE LURE
FROM: DENNIE MARTIN
DATE: JULY 12, 1994
SUBJECT: FINANCING FOR PROPOSED MUNICIPAL IMPROVEMENTS.

The attached pro-forma summarizes the estimated cost of the proposed municipal building improvements, including the renovations to the present town hall facility. In addition, four (4) alternative financing terms with the related debt service payments are provided for your consideration.

As indicated, the estimated total project cost is \$1,002,950. The amortization plan assumes 6-month payment intervals. Based upon the principal amount, it is recommended that either the 5-year or the 7-year term be pursued for the project financing.

We are becoming concerned about the project schedule. At this point, it is important that the project receive the approval of the North Carolina Local Government Commission in its October meeting, in order to avoid starting project construction too late in the year and risking the possibility of weather problems.

The following schedule is recommended for the Town's consideration:

Preliminary meeting with LGC	August 02, 1994
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**PRELIMINARY ESTIMATES
FINANCING ALTERNATIVES FOR MUNICIPAL FACILITIES
TOWN OF LAKE LURE**

TERMS OF FINANCING	(JULY 12, 1994)	INSTALLMENT FINANCE ALTERNATIVES			
		3-YEARS	5-YEARS	7-YEARS	10-YEARS
TOTAL PROJECT COST (OR PRINCIPAL)		1,002,950	1,002,950	1,002,950	1,002,950
ASSUMED RATE OF INTEREST		4.50%	4.80%	5.25%	5.65%
TERM OF FINANCING (YEARS)		3	5	7	10

SEMI-ANNUAL DEBT SERVICE PAYMENTS		\$180,566	\$114,004	\$86,533	\$66,328
ANNUAL DEBT SERVICE COST		\$361,132	\$228,009	\$173,067	\$132,656

**CONSTRUCTION BUDGET
JUNE 2, 1994**

ESTIMATED COST	QUANTITY	UNIT	SUBTOTAL	TOTALS
CONSTRUCTION COSTS:				
STRUCTURE	9,600	56.25	540,000	
PLUMBING	9,600	5.85	56,000	
HVAC	9,600	4.60	44,000	
ELECTRICAL	9,600	8.30	80,000	
SITE IMPROVEMENTS	9,600	6.00	57,000	
ABC RENOVATIONS	4,500	9.00	40,500	
DEMOLITION			4,000	
SUBTOTAL				821,500
CONTINGENCY	10.00%			82,150
TOTAL COST				903,650

PROFESSIONAL SERVICES:				
ARCHITECTURAL			63,300	
ENGINEERING			5,000	
TESTING			7,000	
SURVEYING			4,000	
TOTAL COST				79,300

PROCUREMENT COSTS:				
LEGAL FEES			5,000	
ADMINISTRATION			5,000	
LENDER FEES			10,000	
				20,000

ESTIMATED TOTAL PROJECT COST				\$1,002,950
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