

MINUTES OF THE SPECIAL WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD TUESDAY, MAY 23, 2006, 9:30 A.M. AT THE LAKE LURE FIRE DEPARTMENT

PRESENT: Mayor Jim Proctor
Commissioner Dick McCallum
Commissioner Jeanine Noble
Commissioner Russ Pitts
Commissioner Chuck Watkins

Town Manager Chuck Place
Finance Director Sam Karr

ABSENT: N/A

CALL TO ORDER

The meeting was called to order at approximately 9:30 a.m. by Mayor Jim Proctor.

INVOCATION

Commissioner Dick McCallum gave the invocation.

APPROVE AGENDA

Commissioner Jeanine Noble made a motion to approve the agenda as presented. Commissioner Watkins seconded the motion, and the vote of approval was unanimous.

DISCUSS PRELIMINARY BUDGET ITEMS FOR FISCAL YEAR 2006-2007

Town Manager H. M. Place, III presented the preliminary budget items for fiscal year 2006-2007. Town Manager Place and Finance Director Sam Karr reviewed and answered questions pertaining to the budget. Also, staff members including Public Works Director Tony Hennessee, Community Development Director Shannon Baldwin, Utilities Director William Grimes, Golf Course Manager Jeff Hine, Fire and Emergency Coordinator Ron Morgan, and Police Chief Eric Hester were present during designated times to answer questions about the proposed items in the budget for their departments.

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Town Manager Place reviewed the budget process and informed council members that the current budget being presented at this meeting does not have to be adopted until June 30, 2006. He mentioned that an extension for additional time on the adoption of the budget can be requested should it be needed. Mr. Place stated that the proposed budget being presented is basically the same level of services and the tax rate remains the same at .28 per \$100 valuation. He said the proposed budget included a 3.8% cost-of-living increase based on the March, 2006 figures of the Department of Labor's Consumer Price Index.

Mr. Place reported on the status of the utilities commission issue. He said the town has asked for two credits including a capacity credit and another credit for run of the river.

Mr. Place explained why the community development department has been removed from the administration department budget and placed in a department of their own. The proposed budget included a request from Personnel Officer Anita Taylor and Street Maintenance Supervisor Jerry Gosda for the town to assist with purchasing retirement credits for time loss due to a clerical error. The budget also included a space allocation study to establish the actual cost to add new offices and storage space.

Ed Dittmer, Chairman of the Parks and Recreation Committee gave a presentation regarding beautification and landscaping. He said his committee plans to add benches and trails to public property. Mr. Dittmer asked town council to consider adding \$5,000 to the proposed budget for beautification. Town Manager Place said volunteers from Warren Wilson, Montreat, and/or Rutherford County Correctional Center with their inmate program may assist with beautification projects. Mayor Proctor suggested that the 75th anniversary bricks be reactivated to raise funds for beautification projects and any left over proceeds from monies collected previously for the 75th anniversary program be used for this purpose. Council members agreed with the Mayor's suggestion.

Public Works Director Tony Hennessee answered questions regarding public works which included sanitation, water and the community center. Town Manager Place stated that he would like to see the community center completely remodeled for use by the TDA and Hickory Nut Gorge Chamber of Commerce. Mr. Place said rental proceeds could be used to rebuild a new youth center. Mr. Place said he will include a new youth center along with the town hall additions for a cost study allocation.

Public Works Director Tony Hennessee reviewed proposed budget items for his department including a request to upgrade water meters by adding radio transmitters to save labor time. He said the current method of reading meters takes several days to complete. Mr. Hennessee informed council members that the town has applied for water grants from the state.

Community Development Director Shannon Baldwin asked council members to consider budgeting Erosion Control Officer Clint Calhoun as a full-time employee in the community development department. Mr. Baldwin said the town currently pays 25% of Mr. Calhoun's salary and Mountain Valleys Resource Conservation and Development Council reimburses the town 75%

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of salary for the position of Upper Broad River Director. Mr. Baldwin stated that Mr. Calhoun has a great deal of expertise in biology and Mr. Calhoun could assist the town with various projects relating to tree ordinances, erosion controls, and etc.

Mr. Baldwin requested approval to allow two interns to assist with GIS mapping and the development of architectural guidelines. He also asked for approval to bring in an individual to prepare the minutes of various boards and committees. Mr. Baldwin said this person would be responsible for attending various meetings and typing the minutes for them.

Town Manager Place mentioned that once Mr. Calhoun is transferred to a full-time position as Erosion Control Officer, an office will still be needed for the new director of the Upper Broad River Program. Mr. Place said he will include this position in the space allocation study for town hall.

Town Manager Place reported that Town Clerk Mary Flack is working on cost estimates to codify the town's ordinances to include digital format for searching.

A motion was made by Commissioner McCallum to recess this meeting at 12:30 p.m. for lunch and reconvene at 1:30 p.m. Commissioner Watkins seconded the motion, and the vote of approval was unanimous.

Mayor Proctor reconvened the meeting at 1:30 p.m.

Golf Course Superintendent Jeff Hine said the irrigation system currently being installed at the golf course is coming along well. Mr. Hine informed council members that new mowing equipment and improvements will be needed for the golf course once the irrigation system has been installed.

Commissioner Pitts voiced his concerns regarding the golf course continuing to lose money for the town. He questioned the number of residents that actually use the golf course. Town Manager Place said the golf course is considered a public facility in which the town does not make a profit just like Morse Park and the lake. Mayor Proctor asked council members to give the golf course a chance with the new irrigation system to see if the losses are reduced once this system is running. Commissioner McCallum recommended that town council schedule a joint workshop meeting with the golf course advisory committee to discuss the expectations of the golf course and establish some goals.

Fire Coordinator Ron Morgan reported on the proposed budget items for three local fire departments and Hickory Nut Gorge EMS. Mr. Morgan explained Lake Lure's relationship with regards to local fire departments including Bill's Creek, Chimney Rock, and Fairfield Stations one and two. Mr. Morgan said these three departments train together, respond together and purchase equipment together.

Mr. Morgan stated that the town is tied into a dedicated flood warning system designed by

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the National Weather Service. He said there is a need for a specific software package which is compatible with the system. Mr. Morgan said this system ties into the dam for flow data. Mayor Proctor recommended that the \$33,795 budgeted for this software package be placed in the hydro electric budget and direct Mr. Morgan to be in charge of the installation of this system, monitoring, etc. Mr. Morgan offered to set up a meeting with the contractor to answer questions regarding this system.

Chief of Police Eric Hester reported on the proposed budget items for the police department. Chief Hester said he increased the fuel budget to cover increased fuel cost and fuel for the new police boat. Council members agreed to allocate \$25,000 towards surveillance equipment and cameras.

Utilities Director William Grimes reported that the dam needs to be pressure washed and painted.

Council members held a brief discussion regarding silt removal. Commissioner Pitts reported that the town spent \$500,000 of federal disaster money dredging sediment out of the lake which was deposited largely because of hurricane related rains from 2004. Commissioner Pitts said there is at least 80,000 cubic feet remaining up channel from that same area. After discussion, council members agreed to allocate \$100,000 from the hydro-electric fund towards dredging. Council members also agreed that if the town dredge is sold, those proceeds would be used for silt removal.

Mr. Place reported on the status of the contract renew between the town and Duke Power.

Mr. Place reported on the status of the dock renovations at the marina. After discussion, Council members agreed to offer to replace the boardwalk and ask Lake Lure Tours to replace the finger piers for their boats.

Mr. Place made an announcement about the special town council meeting being held on Thursday, June 8, 2006, at 9:30 a.m. inside the Municipal Center's Community Hall to discuss the town's sewer capacity.

With no further items of discussion, Commissioner Watkins made a motion, seconded by Commissioner McCallum to adjourn the meeting at 4:30 p.m. The vote of approval was unanimous.

ATTEST:

Anita H. Taylor, MMC
Deputy Town Clerk

Mayor Jim Proctor