

# **LAKE LURE TOWN COUNCIL REGULAR MEETING PACKET**

**Tuesday, June 14, 2011**



**Mayor Bob Keith**

**Commissioner Wayne Hyatt**

**Commissioner Mary Ann Silvey**

**Commissioner John Moore**

**Commissioner Linda Turner**

## REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL

*June 14, 2011  
7:00 p.m.  
Lake Lure Municipal Center*

### **AGENDA**

1. Call to Order Mayor  
Bob Keith
2. Invocation Attorney  
Chris Callahan
3. Approve the Agenda Council
4. Presentation of the Town Budget and Budget Message for Fiscal Year 2011-2012 Town Manger  
Chris Braund
5. Public Hearing – Proposed Ordinance No. 11-06-14 Regarding the Town Budget for Fiscal Year 2011-2012
6. Consider Adoption of Ordinance No. 11-06-14 Regarding the Town Budget for Fiscal Year 2011-2012
7. Public Hearing – Proposed Ordinance No. 11-06-14A Amending Sections 92.031, 92.031A, 92.031B and 93.031C of the Zoning Regulations of the Town of Lake Lure; Allowing Child Day Care Centers as a Permitted Use in Certain Commercial Zoning Districts; Amending Definitions to Define Child Care Centers
8. Consider Adoption of Ordinance No. 11-06-14A Amending Sections 92.031, 92.031A, 92.031B and 93.031C of the Zoning Regulations of the Town of Lake Lure; Allowing Child Day Care Centers as a Permitted Use in Certain Commercial Zoning Districts; Amending Definitions to Define Child Care Centers
9. Public Forum: *The public is invited to speak on any non-agenda and/or consent agenda topics. Comments should be limited to less than five minutes.*
10. Staff Reports
11. Council Liaison Reports & Comments

12. Consent Agenda:

- a. Approve Minutes of the May 10, 2011 (Special Meeting), May 10, 2011 (Regular Meeting), and May 24, 2011 (Special Meeting)
- b. Approve a Budget Amendment Regarding the Water/Sewer Fund as Submitted by Finance Director Sam Karr
- c. Approve a Budget Amendment Regarding the Hydro-Electric Fund as Submitted by Finance Director Sam Karr
- d. Approve a Budget Adjustment Regarding General Fund Over-Runs for the Public Works Department and the Beach Department as Submitted by Finance Director Sam Karr
- e. Approve a Fabric Structure Permit Submitted by Jerry Harvey on Behalf of the Pediatric Brain Tumor Foundation for the Ride for Kids Event being held on August 27, 2011

13. Unfinished Business

- a. Board Appointment – Appoint New Member to Fill Dick Washburn’s Position on the Zoning & Planning Board with a Term Expiring December 31, 2011
- b. Other Unfinished Business

14. New Business:

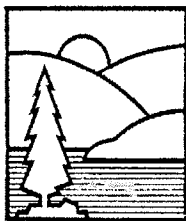
- a. Board Appointment – Appoint New Member to Fill Chris Corr’s Position on the Zoning & Planning Board with a Term Expiring December 31, 2012
- b. Consider Approval of the Town Fee Schedule for Fiscal Year 2011-2012

15. Adjournment



*Agenda Item: 4*





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## TOWN OF LAKE LURE

### *Office of the Town Manager*

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**TO:** Mayor and Commissioners  
**FROM:** Chris Braund  
**DATE:** June 6, 2011  
**RE:** Budget Message and Proposed Budget for Fiscal Year 2011-2012

In accordance with Sections 159-11, 159-12, et. al. of the General Statutes of North Carolina, it is my duty to submit for your consideration the proposed balanced Budget for Fiscal Year 2011-2012. This budget was created in accordance with the schedule submitted to council earlier this year. This budget is a result of several meetings with the department heads. This budget is a result of a great deal of time and hard work from Town Finance Director Sam Karr.

Along with the assistance and input from department heads in March and April, the initial draft was prepared for the Town Council's consideration. In order to balance the budget, additional meetings with department heads resulted in some very difficult project and capital item decisions. . The cuts identified from the meetings with the department heads were submitted to Town Council in budget workshops on April 29<sup>th</sup>, May 10<sup>th</sup> and 24<sup>th</sup>. The priorities communicated by the Council are now reflected in this proposed budget. **In Summary, the budget is balanced at a recommended tax rate of \$0.21 per \$100 of property value, maintaining the rate in effect since 2007.** For the Lake Lure taxpayer, 28.3% of their property tax bill supports their Lake Lure budget. 71.6% supports Rutherford County's budget.

This memorandum details all line items for the General Fund, Water/Sewer Fund and Electric Fund. The proposed major areas of revenue for the fiscal year commencing July 1, 2011 and ending June 30, 2012 are as follows:

#### REVENUES

##### **I. GENERAL FUND**

Ad Valorem and Vehicle Taxes	\$2,110,030
State Shared Revenues	\$1,166,450
Miscellaneous Revenues	\$201,180
Land Use Fees	\$20,175
Golf Course	\$0
Lake	\$276,800
Beach	\$48,000
Marina	\$78,630
Admin. Charge from Water/Sewer Fund	\$25,000
Admin. Charge from Electric Fund	\$25,000
Appropriated Fund Balance	\$0

**TOTAL GENERAL** **\$3,951,265**

**II. WATER/SEWER FUND**

Water and Sewer	\$669,150
Transfer from General Fund	\$0
Transfer from Hydroelectric Fund	\$0
<b>TOTAL WATER/SEWER</b>	<b>\$669,150</b>

**III. ELECTRIC FUND**

Electric Receipts	\$276,356
Appropriated from Fund Balance	\$0
<b>TOTAL ELECTRIC</b>	<b>\$276,356</b>

<b><u>GRAND TOTAL – ALL FUNDS</u></b>	<b><u>\$4,896,771</u></b>
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**EXPENDITURES**

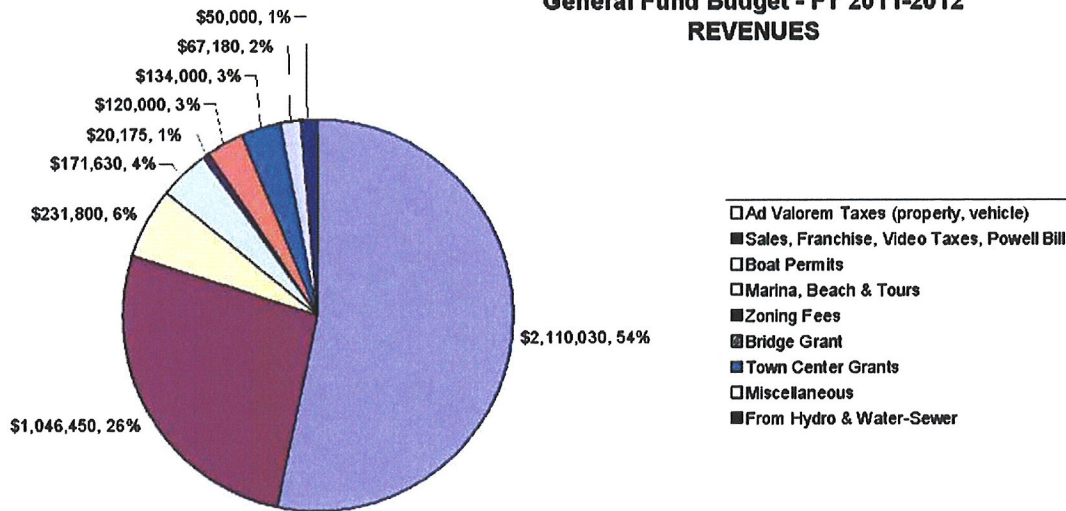
**I. GENERAL FUND**

Governing Board	\$32,396
Administration	\$683,518
Police	\$735,030
Fire Department	\$625,517
Public Works	\$277,772
Sanitation	\$187,400
Golf Course	\$6,000
Lake	\$172,974
Parks & Recreation	\$76,263
Beach & Marina	\$12,000
Community Center	\$0
Community Development	\$245,631
Information Technology	\$47,200
Insurance/Bonds	\$135,540
Capital Outlay & Projects	\$340,025
Debt Service	\$176,837
Contingency Reserve	\$87,162
Transfer to Water/Sewer	\$0
Transfer to Fund Equity	\$0
Transfer to Bridge Capital Reserve	\$110,000



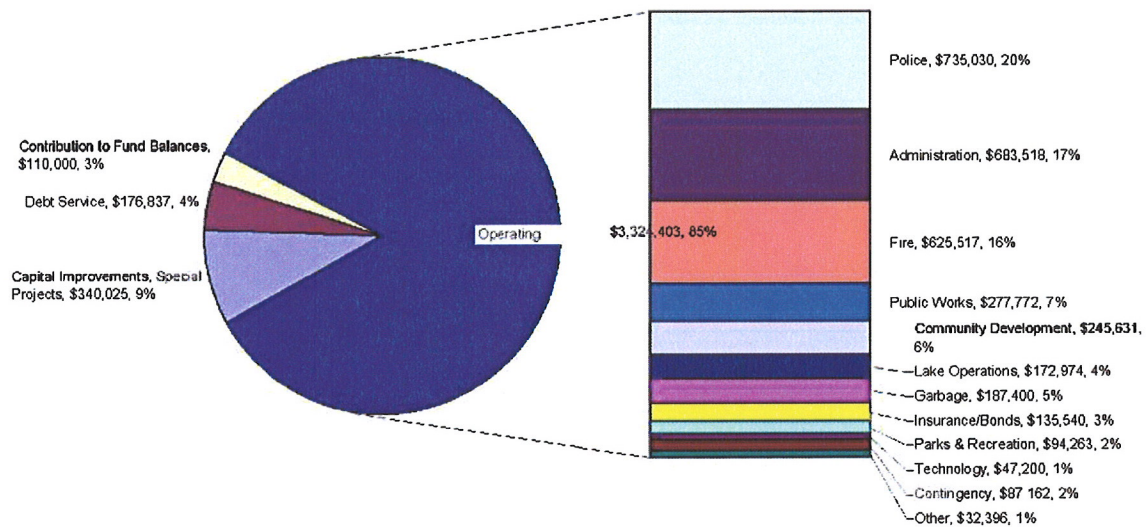
	<b>TOTAL GENERAL</b>	<b>\$3,951,265</b>
<b>II.</b>	<b>WATER/SEWER FUND</b>	
	Sewer	\$265,295
	Water	\$227,274
	Capital Outlay	\$101,286
	Debt Service	\$75,295
	Transfer to Equity	\$0
	<b>TOTAL WATER/SEWER</b>	<b>\$669,150</b>
<b>III.</b>	<b>ELECTRIC FUND</b>	
	Operations	\$166,356
	Capital Outlay	\$110,000
	Debt Service	\$0
	Transfer to Equity	\$0
	<b>TOTAL ELECTRIC</b>	<b>\$276,356</b>
	<b><u>GRAND TOTAL - ALL FUNDS</u></b>	<b><u>\$4,896,771</u></b>

**Town of Lake Lure  
General Fund Budget - FY 2011-2012  
REVENUES**



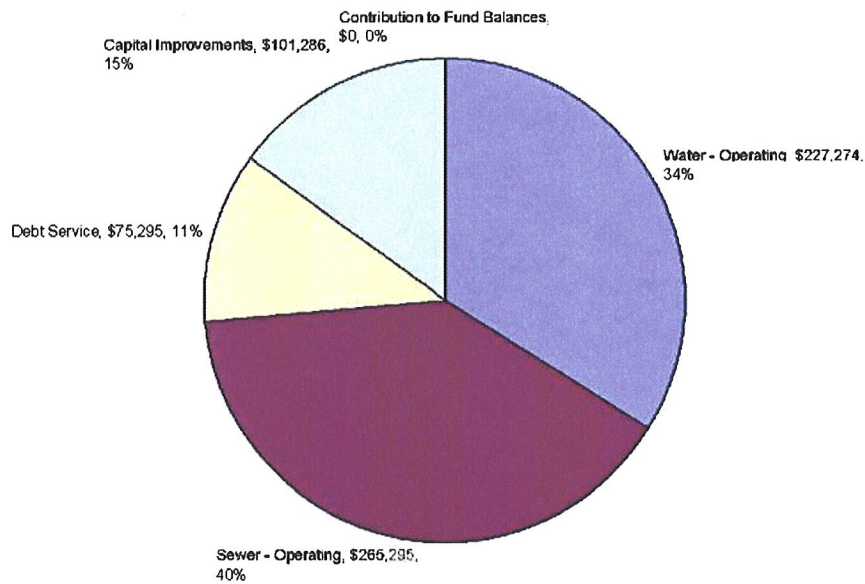
**Total Revenues: \$3,951,265**

**Town of Lake Lure  
General Fund Budget - FY 2011-2012  
EXPENDITURES**

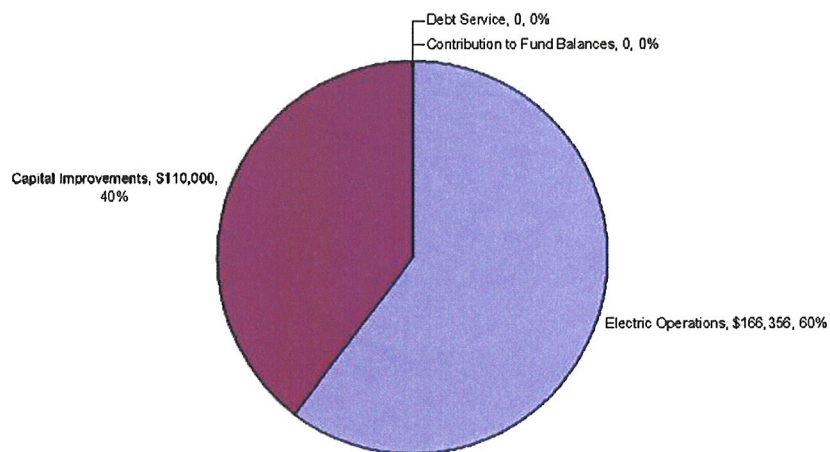




**Town of Lake Lure  
Water-Sewer Budget - FY 2011-2012  
EXPENDITURES**



**Town of Lake Lure  
Hydroelectric Budget - FY 2011-2012  
EXPENDITURES**



## FUND BALANCES

Our finance director has provided the following information regarding the fund balance or retained earnings for each of the town's three operating funds:

	<u>June 30, 2010<sup>1</sup></u>	<u>June 30, 2011<sup>2</sup></u>
General Fund <sup>3</sup>	\$893,667	\$1,040,319
Water/Sewer Fund <sup>4</sup>	\$66,165	\$236,000
Electric Fund <sup>4</sup>	\$502,625	\$412,625

- Notes:
- 1 - From Audit Report for FY2009-10
  - 2 - Estimates provided by finance director and based upon data available to him on May 30, 2011
  - 3 - General Fund amounts are fund balances
  - 4 - Water/Sewer Fund and Electric Fund represent retained earnings.

At the conclusion of FY10, the general fund balance was increased due to the achievement of an operating surplus and the electric fund was increased substantially increased. The FY11 budget (as amended) appropriated amounts from these increased fund balances to provide staff C.O.L.A. increases and additional improvement projects at the hydro plant.

In FY11, the settlement of a lawsuit in FY11 resulted in an increase in the Water/Sewer fund balance.



As always, there were many hard decisions associated with the formulation of this budget. The costs submitted by the staff to address the various needs, wants and desires of the town were in excess of the current array of means to pay for them. The result was a lengthy process of establishing priorities among the many competing good and worthy services and projects in need of funding. In all, nearly \$400,000 of requested budget items were eliminated.

As required by state law, the proposed town budget now before you is balanced. In comparison to last year, overall revenues and expenditures are projected to increase by \$103,453 (2.2%).

	FY 10/11	FY 11/12	Difference	% Change
General Fund	\$3,750,001	\$3,951,264	+\$201,263	+5.4%
Water/Sewer Fund	\$692,817	\$669,150	-\$23,667	-3.4%
<u>Electric Fund</u>	<u>\$350,500</u>	<u>\$276,356</u>	<u>-\$74,144</u>	<u>-21.2%</u>
Total	\$4,793,318	\$4,896,771	\$103,453	+2.2%

This estimated budget for FY2011-12 is based upon the following:

1. There is an assumption that there will be no annexations or major growth in population served during the subject fiscal year.
2. We are proposing to maintain the tax rate at \$0.21 this year (unchanged since 2007.) This should generate about \$2,127,182 in tax revenue on real, personal and utility property, assuming 93%-96% collection rates. Note that the tax base is slightly decreased from 2010/2009 (for the second year in a row.)
3. All fees and charges for town services have been reviewed and the budget assumes a 2% increase in most of them (e.g., utility rates, boat permit fees, land use/zoning fees.) See the proposed FY 2012 rate schedule for details.
4. Fund Balances – this budget anticipates no withdrawals from fund balances to cover expenses. The proposed budget also has no provision for contributions toward enhancing the fund balances.
3. Regular Operations – For the second consecutive year, we have reduced the General Fund budget for regular operations (excluding capital expenditures, projects and debt service) by \$117,000 from FY 10-11. This was accomplished by a 5% reduction target across all departments.
4. 53% of the General Fund operating budget goes to Police, Fire and Administration services, which is common among municipalities.
  - Service Area: With a permanent population of 1,200 and seasonal population estimated at 10,000, the Town of Lake Lure covers 14 square miles [note: it is larger than the combined areas of Hendersonville, Flat Rock, Laurel Park and 1/3 of Fletcher.] In the five surrounding counties, only Asheville and Mills River are larger in area than Lake Lure. We have over 2,000 housing units and 51 miles of public roads separated by a 720 acre lake. There is over one billion dollars in property value within the town limits.
  - Police: To protect this area effectively and safely, we have 8 patrol officers, a lieutenant/detective, a part-time administrative assistant and a Police Chief. We provide 24-hour

coverage by 2 officers as a crime deterrent and to provide prompt response. Although we receive some support from county services (sheriff and EMS), these agencies cover a much larger region and cannot provide the service levels desired by the Town.

- Fire: To provide fire protection, medical and rescue services throughout the town, we maintain a Lake Lure department (with 6 staff) and contract with 3 volunteer departments. This level of coverage affords a Class 6 insurance rating that directly reduces the costs of homeowner's insurance for each structure in town by as much as 50%. Based on our property values, the savings to taxpayers exceeds the total fire protection budget. The Lake Lure fire budget represents about 6.25 cents per \$100 of property value. Elsewhere in the county, that cost ranges from 8 cents (Bill's Creek) to 18 cents (Forest City).
  - Administration: the following functions are provided by 6 individuals in the Administration budget: Executive Management, Financial Management & Audit, Town Clerk/Recordkeeping, Human Resources, Customer Service, Legal services (town attorney contract), Communication/Public Relations services, Town Hall (facility)
5. Water and sewer operations are tracked in their own enterprise fund. In the last two years, we have stabilized these operations, continued a program of repairs and improvements and begun to build back the fund balance. With a 2% proposed increase in rates, utility revenues cover operations costs and some capital improvements. This is an improvement over prior years when a subsidy from the General Fund was required. Such a subsidy is appropriate in when a service essential to a municipality is unable to be fully funded by fee-paying users of the service. In Lake Lure, the unique challenges of our geography, age of the infrastructure and small customer base make it hard to cover costs without setting unreasonably high rates. Additional investments in utilities infrastructure were identified in the Comprehensive Plan as a needed strategy to support growth in key areas like schools, recreational and medical facilities.
  5. Hydroelectric generation revenues in the Electric Fund are conservatively projected to be \$275,356. In addition to a \$50,000 contribution to the dredging/silt removal program, \$110,000 in plant improvements are budgeted as part of the multi-year capital improvement plan with over \$1 million in necessary maintenance and upgrades identified.
  6. Golf Course – the golf course is under the operation of the Course Doctors management team. We have two more years of payments on the renovations completed in 2010. The FY12 operating budget of \$6,000 includes amounts for pest control and exterior maintenance of buildings. All other expenses, as well as revenues, profits or losses will be part of the Course Doctors lease operations.
  7. The costs associated with the lake operations department (staff, supplies, fuel, lake dredging, fish stocking, outside services) are fully covered through boat permit fees, lake tours and fines.
  8. Debt Service – the budget contains the following debt payments:

- Public Docks (payments through 2012)	\$12,305
- Fire Station (payments through 2013)	\$13,670
- Golf Course Renovation (through 2013)	\$72,000
- Telephone System (through 2015)	\$6,000
- Marina Renovation (through 2022)	\$43,000
- Water Line Extension to Ingles (through 2026)	\$55,955
- Sewer Joint Wrapping Program (2012 through 2029)	\$0
(\$75K payments begin next fiscal year)	



Total debt payments represent just 6% of our operating budget and 5% of our total budget.

9. The budget includes \$551,311 in capital investments or special projects considered to be essential priorities:

General Fund

- Town Center Plan (if funded by grant awards or gifts)	\$134,000
- Street Improvements (using state Powell Bill funds)	\$65,000
- Morse Park Improvements (drainage – first phase)	\$40,000
- Silt Removal (regular maintenance dredging)	\$25,000
- Municipal Performance Measurement Program Development	\$15,000
- Police – vehicle cameras (3)	\$14,025
- Asset Management Program Development	\$10,000
- Flowering Bridge Program	\$10,000
- Abandoned Building Condemnation Costs	\$8,000
- Buffalo Creek Parkland Development	\$7,000
- Website – redesign and new platform	\$5,000
- Technology Upgrades (desktops & servers)	\$4,000
- Software – New Services	\$3,000

Water & Sewer Fund

- Wastewater Treatment Plant Improvements	\$35,000
- Water System Improvements	\$25,000
- Lake Instrumentation (downstream flow measurement)	\$24,000
- Sewer Collection System Replacement/Extension	\$14,286
- Software – electronic billing & payments	\$3,000

Hydroelectric Fund

- Capital Improvements at Dam/Hydro Plant	\$50,000
- Silt Removal / dredging	\$50,000
- Replace fending at dam	\$10,000

A large marina improvement project is planned for this year, but will be financed with a 10-year loan. Thus, the annual cost appears under debt service. The replacement of the marina seawall and docks is a \$611,000 project to replace current structures that are over 20 years old. The new marina will have longer-lasting, lower-maintenance materials (e.g., stacked block seawall with riprap and aluminum docks.) The new marina will also increase the number of slips rented (we have a waiting list), so the anticipated revenues fully cover the cost of the loan payments each year. After year 10, we estimate the marina should contribute over \$100,000 per year to the General Fund.

The Asset Management Plan project will perform an inventory of all town-owned assets (buildings, utility equipment, roads, vehicles, etc.) to determine their condition, usable life, cost of maintenance and cost of refurbishment or replacement. A plan will then be prepared that identifies the annual investment or set-aside necessary to maintain these assets and to have sufficient reserves to replace them when needed.

The Performance Management Plan project will develop measurements for the activities and outcomes (public benefits) of each department. These measures will then be used to develop performance targets

and incentive compensation programs for departments and staff. They will also be used in municipal performance reporting.

The Town Center Plan budget includes \$134,000 toward planning activities related to a revitalized Town Center as an engine of economic development. This expenditure is offset by the same amount in anticipated revenues from grants or gifts. The planning process will proceed based on the availability of these funds.

10. The budget includes no purchases of vehicles or major equipment. Vehicle maintenance costs have increased as our fleet continues to age.
11. A part-time, contract position of Communication Coordinator will be added in the upcoming fiscal year. This role will be responsible for improving the content, clarity and style of all outbound town communications, with an initial priority to overhaul the decade-old town website. It is our intent to make the website the "go to" source of readily available, current and easy to locate information for our citizens.
12. The budget includes the following staff adjustments:
  - Public Works Maintenance Tech – position retired, replaced with a part-time groundskeeper in the Parks & Recreation department
  - Town Clerk – retired, replaced internally
  - Finance Clerk – retired, position will be refilled with an accountant
  - Police Administrative Assistant – converted to part time
  - Planner/Subdivision Administrator – hired (formerly a contract resource)
13. The budget anticipates revenues of \$120,000 from the NC Dept. of Transportation for the Town's acceptance of the old bridge over the Broad River. \$110,000 of this amount will be deposited in a capital reserve fund for bridge maintenance. \$10,000 will be provided to the Friends of the Bridge group for their creation of the Flowering Bridge attraction.
14. Town Services or Projects Removed:
  - Visitor Center Renovation and Expansion: this strategic project is no longer in the planned budget due to lack of participation and investment by the county Tourism Development Authority (TDA). The TDA board has been reconstituted and will be re-evaluating their position on visitor centers in the county. Additionally, the Hickory Nut Gorge Chamber of Commerce will be evaluating their strategy for the HNG Visitor Center. A new plan should be forthcoming.
  - Centralized Trash Dumpsters: due to the ongoing costs of providing this service to town residents, as well as the additional investment needed in fencing and enforcement mechanisms to correct the misuse and abuse of the dumpsters, this facility will be eliminated. Weekly, curbside garbage service is available free to nearly every residential property owner in Town. Accommodations will be made for those who cannot get this service due to their location. Also, the centralized recycling center will likely be phased out now that the town has curbside recycling pickup widely available to both residents and businesses. It is the Town's desire to keep this convenient service available and economical.
  - Youth Center: due to declining enrollment and interest in the program, the Police Department has recommended closure of the center and a savings of over \$34,000.

15. The budget includes no cost-of-living salary adjustment (COLA) for employees. It maintains current levels of contribution to retirement and healthcare benefits, which include:
- NC state employees retirement fund premiums (defined benefit plan)
  - a 401K contribution of 5% of earnings for all employees
  - Employee healthcare insurance premiums
  - NC state retirees healthcare insurance premiums

Town costs for healthcare insurance premiums experienced a 5.2% increases this year.

Effective in 2011, a paid lunch hour benefit was eliminated for all staff.

16. Contingency – this line item is used to cover unanticipated costs or needs during the year that were not appropriated elsewhere. Contingency funds are used only upon approval by the Town Council in a budget amendment. In FY11, the available contingency was \$50,657 and nearly all of it was used. In the FY12 budget, there is a contingency of \$87,162 with a goal of using \$40,000 of this for performance-based staff bonuses. In the event of significant, unplanned needs or opportunities arising during the year, Council will need to consider an appropriation from the general fund balance (which exists to provide this very protection).

While this budget does not address every need, want, preference, desire, project, program, or requested capital item, it will provide for the continuation of the basic municipal services currently provided and at the level expected by our residents, while maintaining our tax rate in a difficult fiscal climate. The current and future councils need to consider carefully the aging infrastructure of the town and the continuing trend of deferring capital improvements and investments to future years. The development of an Asset Management Plan that is programmed for this year should greatly assist in the preparation of a meaningful capital improvement plan that anticipates maintenance *and eventual replacement* of all town assets. A draft plan provided to council estimates between \$500,000 and \$1,000,000 of unfunded improvements EVERY year in order to maintain the town's dam, sewer system, water system, boardwalk and marina, buildings, roads and bridges, vehicle and boat fleets. This draft does not address future replacement costs for items like the dam. Then, with a sound Asset Management Plan in place, the council needs to find ways to fund each year's expenditures rather than deferring them into the future.

I hereby request your formal adoption of the town budget for Fiscal Year 2011-2012.

xc: Sam Karr, Finance Director  
Andi Calvert, Town Clerk  
Department Heads

***Agenda Items: 5 & 6***



**ORDINANCE NO: 11-06-14**

**AN ORDINANCE ADOPTING THE FISCAL  
YEAR 2011-2012 BUDGET FOR THE TOWN  
OF LAKE LURE, NORTH CAROLINA**

**SECTION 1.** In accordance with G.S. 159-13 (a), the Town Council of the Town of Lake Lure adopts this ordinance entitled Town of Lake Lure 2011-2012 Budget.

**SECTION 2.** This ordinance includes revenues and expenditures in the General Fund, Water/Sewer Fund and Electric Fund. Revenues and expenditures in those funds are as follows:

**REVENUES**

**I. GENERAL FUND**

Ad Valorem and Vehicle Taxes	\$2,127,182
State Shared Revenues	\$1,009,325
Miscellaneous Revenues	\$118,060
Land Use Fees	\$19,650
Golf Course	\$36,084
Lake	\$276,700
Beach	\$48,000
Marina	\$40,000
Admin. charge from Water/Sewer Fund	\$25,000
Admin. charge from Electric Fund	\$25,000
Transfer from Electric Fund	\$25,000
Appropriated Fund Balance	\$0
<b>TOTAL GENERAL</b>	<b>\$3,750,001</b>

**II. WATER/SEWER FUND**

Water and Sewer	\$664,050
Transfer from General Fund	\$13,767
Transfer from Hydroelectric Fund	\$15,000
<b>TOTAL WATER/SEWER</b>	<b>\$692,817</b>

**III. ELECTRIC FUND**

Electric Receipts	\$260,500
Appropriated from Fund Balance	\$90,000
<b>TOTAL ELECTRIC</b>	<b>\$350,500</b>

**GRAND TOTAL - ALL FUNDS** **\$4,793,318**

**EXPENDITURES**

**I. GENERAL FUND**

Governing Board	\$33,434
Administration	\$697,482
Police	\$722,743
Fire Department	\$650,742
Public Works	\$450,923
Sanitation	\$180,500
Golf Course	\$56,873
Lake	\$232,522
Parks & Recreation	\$30,000
Beach	\$5,000
Community Center	\$51,023
Community Development	\$302,513
Marina	\$9,820
Insurance/Bonds	\$144,865
Debt Service	\$117,023
Contingency Reserve	\$50,767
Transfer to Water/Sewer	\$13,767
Transfer to Equity	\$0

<b>TOTAL GENERAL</b>	<b>\$3,750,001</b>
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**II. WATER/SEWER FUND**

Sewer	\$389,045
Water	\$303,772
Transfer to Equity	\$0

<b>TOTAL WATER/SEWER</b>	<b>\$692,817</b>
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**III. ELECTRIC FUND**

Operations	\$350,000
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<b>TOTAL ELECTRIC</b>	<b>\$350,000</b>
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**GRAND TOTAL - ALL FUNDS**

**\$4,793,318**

**SECTION 3.** To achieve this budget program, the Town Council of the Town of Lake Lure, in accordance with G.S. 159-13 (c), the tax rate shall remain \$0.21 per \$100.00 of property valuation.

**SECTION 4.** Pursuant to the authority set forth in Article 20, Chapter 160A of the North Carolina General Statutes, the Town of Lake Lure and Rutherford County have entered into a contractual agreement to provide for centralized and systemized billing and collection of property taxes in Rutherford County. Under this agreement the County will perform for itself and the Town all of the tax collection functions prescribed in Subchapter 50 of Chapter 105 of the North Carolina General Statutes (often referred to as the Machinery Act). This joint tax collection system shall commence with the tax levy for the fiscal year beginning July 1, 2011. In accordance with section V. of this agreement, the Town of Lake Lure hereby adopts the same tax discount schedule as the County for the Town's tax levy for the fiscal year commencing July 1, 2011.

Adopted the 14th day of June, 2011.

ATTEST:

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Andrea H. Calvert  
Town Clerk

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Bob Keith  
Mayor

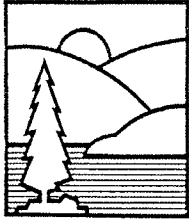
APPROVED AS TO FORM:

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J. Christopher Callahan  
Town Attorney

*Agenda Items: 7 & 8*





Incorporated 1927

## TOWN OF LAKE LURE

### *Community Development Department*

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**TO:** Town Council  
**FROM:** Suzy Smoyer, Planner *SS*  
**DATE:** June 14, 2011 Town Council Meeting  
**RE:** Amendments to the Zoning Regulations

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The Community Development Department recently had conversations with someone interested in locating a preschool/ child care center in the Town of Lake Lure. Currently, these facilities (referred to as day nurseries and private kindergartens in the Zoning Regulations) are only permitted with a conditional use permit in the R-2 Zoning District. There are only a few areas zoned R-2 in Lake Lure. The Zoning and Planning Board have discussed and unanimously recommended approval of the attached amendment to the Zoning Regulations finding that the amendment is consistent with the Comprehensive Plan. The amendment will allow childcare centers as a permitted use in certain commercial zoning districts. The amendment will also change the name of this type of facility to “child care centers” in keeping with terminology used by the State of North Carolina’s Department of Health and Human Services. Please see the attached draft ordinance.

**ORDINANCE NUMBER 11-06-14A**

**AN ORDINANCE AMENDING §92.031, §92.031A, §92.031B, AND §92.031C, OF THE ZONING REGULATIONS OF THE TOWN OF LAKE LURE; ALLOWING CHILD CARE CENTERS AS A PERMITTED USE IN CERTAIN COMMERCIAL ZONING DISTRICTS; AMENDING §92.005 DEFINITIONS TO DEFINE CHILD CARE CENTERS**

**WHEREAS**, the Zoning and Planning Board has recommended modifications to Zoning Regulations of the Town of Lake Lure as noted in the title of this ordinance; and

**WHEREAS**, the Zoning and Planning Board finds that the proposed ordinance will facilitate community services that support young families similar to the Lake Lure Classical Academy and is consistent with the Town of Lake Lure 2007-2027 Comprehensive Plan; and

**WHEREAS**, the Town Council of the Town of Lake Lure finds that this ordinance furthers the public welfare by providing increased flexibility in locating day nurseries and private kindergartens (child care centers) in certain commercial zoning districts; and

**WHEREAS**, the Lake Lure Town Council, after due notice, conducted a public hearing on the 14<sup>th</sup> day of June, 2011, upon the question of amending the Zoning Regulations in this respect.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF THE COUNCIL MEMBERS VOTING IN THE AFFIRMATIVE:**

**SECTION ONE.** This ordinance is enacted pursuant to authority granted by N.C.G.S. 160A-381, et seq. Throughout this ordinance additions to text are designated by underlining; whereas, deletions are designated by the use of strike-through.

**SECTION TWO.** Section 92.005 of the Zoning Regulations, entitled “Definitions”, is hereby amended as follows:

~~Day Nursery and Private Kindergarten: A use of land and buildings to provide group care for children.~~

Child Care Center: A use of land and buildings to provide group care for children as defined and regulated by the North Carolina Department of Health and Human Services (NCDHHS). A family child care home as defined and regulated by the NCDHHS is not included in this definition.

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

**SECTION THREE.** Chapter 92 of the Code of the Town of Lake Lure, entitled "Zoning Regulations of the Town of Lake Lure, North Carolina", is hereby amended to read as follows:

#### **§92.029 R-2 General Residential District**

(C) Conditional Use Permit. The following uses require a conditional use permit subject to a finding by the Board of Adjustment that all applicable provisions of §92.045 through 92.059 have been met:

~~(5) Day nurseries and kindergartens with an outdoor play area of at least 200 square feet for each child.~~ Child Care Centers

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

#### **§92.031 C-1 GENERAL COMMERCIAL DISTRICT**

(B) Permitted Uses. Within the C-1 General Commercial District a building or land shall be used for the following purposes:

(10) Child Care Centers

#### **§92.031A CN COMMERCIAL NEIGHBORHOOD DISTRICT**

(B) Permitted Uses. Within the CN Commercial Neighborhood District a building or land shall be used for the following purposes:

(8) Child Care Centers

**§92.031B CTC COMMERCIAL TOWN CENTER DISTRICT**

(B) Permitted Uses. Within the CTC Commercial Town Center District a building or land shall be used for the following purposes:

(12) Child Care Centers

**§92.031C CG COMMERCIAL GENERAL DISTRICT**

(B) Permitted Uses. Within the CG Commercial General District a building or land shall be used for the following purposes:

(10) Child Care Centers

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

**SECTION FOUR.** Section 92.103 of the Zoning Regulations, entitled “Off-Street Parking Required”, is hereby amended as follows:

<u>Uses</u>	<u>Required Parking</u>
<u>Child Care Centers</u>	<u>One space for each employee plus one space per ten children but no less than four spaces beyond those provided for employees</u>

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

**SECTION FIVE.** Any person violating the provisions of this ordinance shall be subject to the penalties and remedies set forth in §92.999 of the Zoning Regulations.

**SECTION SIX.** All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

**SECTION SEVEN.** If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court

of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

**SECTION EIGHT.** The enactment of this ordinance shall in no way affect the running of any amortization provisions or enforcement actions, or otherwise cure any existing zoning violations.

**SECTION NINE.** This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted this 14<sup>th</sup> day of June 2011.

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Bob Keith, Mayor

ATTEST:

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Andrea H. Calvert, Town Clerk

Approved as to form:

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Chris Callahan, Town Attorney



## NOTICE OF PUBLIC HEARING

Notice is hereby given that at 7:00 p.m. or shortly thereafter, on 14 June 2011, at the Lake Lure Municipal Center, 2948 Memorial Highway, Lake Lure, North Carolina, the Lake Lure Town Council will hold a public hearing with regard to the following matter:

Ordinance #11-06-14A: An Ordinance to amend the Zoning Regulations of the Town of Lake Lure pertaining to day nurseries and private kindergartens, specifically to allow day nurseries and private kindergartens as a permitted use in certain commercial zoning districts.

The public is advised that it has the right to appear at said public hearing and present information with regard to this matter. Copies of the proposed ordinance are available for review at the Lake Lure Municipal Center Monday through Friday during normal business hours of 8:00 a.m. to 5:00 p.m., holidays excepted.

*Agenda Item: 12a*

**MINUTES OF THE SPECIAL MEETING BUDGET WORKSHOP OF THE LAKE LURE TOWN COUNCIL HELD TUESDAY, MAY 10, 2011, 8:00 A.M. AT THE LAKE LURE MUNICIPAL CENTER**

**PRESENT:** Mayor Bob Keith  
Commissioner Mary Ann Dotson Silvey  
Commissioner Wayne Hyatt  
Commissioner John W. Moore  
Commissioner Linda Turner

Christopher Braund, Town Manager  
Sam Karr, Finance Director  
Ron Morgan, Fire Chief  
Dean Givens, Director of Lake Operations  
Tony Hennessee, Director of Public Works  
Shannon Baldwin, Community Development Director  
Donnie McCraw, Hydro-Electric/Wastewater Collection System Supervisor  
Eric Hester, Police Chief

**ABSENT:** J. Christopher Callahan, Town Attorney

<b>CALL TO ORDER</b>
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Mayor Keith called the meeting to order at 8:00 a.m.

<b>APPROVE THE AGENDA</b>
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A motion was made by Commissioner Turner to approve the agenda as presented. Commissioner Moore seconded the motion and the vote of approval was unanimous.

<b>DISCUSSION OF THE DRAFT BUDGET FOR FISCAL YEAR 2011-2012</b>
-----------------------------------------------------------------

Town Manager Braund gave an overview of preliminary budget items for fiscal year 2011-2012 and answered questions pertaining to the budget. Also, staff members including Fire Chief Ron Morgan, Lake Operations Director Dean Givens, Public Works Director Tony Hennessee, Community Development Director Shannon Baldwin, Hydro-Electric/Wastewater Collection System Supervisor Donnie McCraw and Police Chief Eric Hester were present during designated times to answer questions about proposed budget items for their departments.

Fairfield Mountains Fire Department Board of Directors President Duane Massman, Fairfield Mountains Fire Chief Gary Wilson, Lake Lure Fire Chief Ron Morgan and Lake Lure Assistant Fire Chief Randy Hardin were present and discussed with Town Council the proposed budget for the fire department.

## **Page 2 - Minutes of the May 10, 2011 Special Meeting of the Town of Lake Lure Council**

Mayor Keith recessed the meeting for a break at 9:30 a.m. and reconvened the meeting at 9:35 a.m.

Lake Operations Director Dean Givens made a presentation and provided Town Council handouts detailing proposed renovations to the town's marina along with a proposed payment plan.

Parks and Recreation Board Chairman Ed Dittmer discussed a proposed project regarding drainage in Morse Park.

Mayor Keith recessed the meeting at 12:00 p.m. for lunch and reconvened the meeting at 12:30 p.m.

Community Development Director Shannon Baldwin discussed progress of the Town Center Plan and pending grant applications that have been submitted by the community development staff to the Z. Smith Reynolds Foundations, Clean Water Management Trust Fund, and the Appalachian Regional Commission.

Police Chief Eric Hester presented council members detailed information regarding a lease program through Ford and discussed the possibility of utilizing a lease-to-own option to purchase a Ford Fusion for the police department. Chief Hester also discussed the need to obtain cameras in all patrol vehicles. Council agreed that two additional patrol vehicle cameras should be added to the police department budget.

Council discussed with Chief Hester the lack of community participation at the town's youth center. It was the consensus of Town Council that, due to lack of participation, the town's youth center should be removed from 2011-2012 budget and the youth center should close effective June 30, 2011.

<b>ADJOURN THE MEETING</b>
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With no further items of discussion, Commissioner Silvey made a motion to adjourn the meeting at 4:50 p.m. Commissioner Hyatt seconded the motion and the vote of approval was unanimous.

**Page 3 - Minutes of the May 10, 2011 Special Meeting of the Town of Lake Lure Council**

ATTEST:

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Andrea Calvert  
Town Clerk

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Mayor Bob Keith



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL  
HELD TUESDAY, MAY 10, 2011, 7:00 P.M. AT THE LAKE LURE MUNICIPAL  
CENTER**

**PRESENT:** Mayor Pro Tem Linda Turner  
Commissioner Wayne Hyatt  
Commissioner John W. Moore  
Commissioner Mary Ann Dotson Silvey

Christopher Braund, Town Manager  
J. Christopher Callahan, Town Attorney

**ABSENT:** Mayor Bob Keith

**CALL TO ORDER**

Mayor Pro Tem Turner called the meeting to order at 7:00 p.m.

**INVOCATION**

Attorney Callahan gave the invocation.

**APPROVE THE AGENDA**

Commissioner Hyatt made a motion to approve the agenda as presented. Commissioner Silvey seconded the motion and the vote of approval was unanimous.

**PUBLIC HEARING ORDINANCE NO. 11-05-10 AMENDING THE SUBDIVISION  
REGULATIONS OF THE TOWN OF LAKE LURE REGARDING THE DEFINITIONS  
FOR MAJOR AND MINOR SUBDIVISIONS**

Community Development Director Shannon Baldwin gave a brief overview and answered questions pertaining to Ordinance No. 11-05-10 regarding the definitions for major and minor subdivisions.

Mayor Pro Tem Turner opened the public hearing regarding proposed Ordinance No. 11-05-10 and invited citizens to speak during the public hearing; no one requested to speak.

After discussion, Commissioner Moore made a motion to close the public hearing. Commissioner Silvey seconded the motion and the vote of approval was unanimous.

<b>CONSIDER ADOPTION OF ORDINANCE NO. 11-05-10 AMENDING THE SUBDIVISION REGULATIONS OF THE TOWN OF LAKE LURE REGARDING THE DEFINITIONS FOR MAJOR AND MINOR SUBDIVISIONS</b>
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Public notices were duly given and published in the Forest City Daily Courier newspaper.

Commissioner Hyatt made a motion to adopt Ordinance No. 11-05-10 as presented, amending Section 91.06 of the Lake Structure Regulations of the Town of Lake Lure regarding the definitions for major and minor subdivisions. Commissioner Moore seconded the motion and the vote of approval was unanimous.

**ORDINANCE NUMBER 11-05-10**

**AN ORDINANCE AMENDING §91.06 OF THE SUBDIVISION REGULATIONS OF THE TOWN OF LAKE LURE CONCERNING THE DEFINITIONS FOR MAJOR AND MINOR SUBDIVISIONS**

**WHEREAS**, the Zoning and Planning Board has recommended modifications to the Subdivision Regulations of the Town of Lake Lure as noted in the title of this ordinance; and

**WHEREAS**, the Zoning and Planning Board finds that the proposed ordinance, being administrative in nature, is neither consistent nor inconsistent with the Town of Lake Lure 2007-2027 Comprehensive Plan; and

**WHEREAS**, the Town Council of the Town of Lake Lure finds that this ordinance is in the public interest inasmuch as it clarifies the difference between major subdivisions and minor subdivisions; and

**WHEREAS**, the Lake Lure Town Council, after due notice, conducted a public hearing on the 10<sup>th</sup> day of May, 2011, upon the question of amending the Subdivision Regulations in this respect.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF THE COUNCIL MEMBERS VOTING IN THE AFFIRMATIVE:**

**SECTION ONE.** §91.06 of the Subdivision Regulations of the Town of Lake Lure, concerning the definitions of major subdivisions and minor subdivisions, is hereby amended as follows:

**Major Subdivision:** Any subdivision of a tract of land ~~greater than five acres in area~~ into more than five lots, or any subdivision requiring the extension of public utilities and/or development or dedication of new streets.

**Minor Subdivision:** Any subdivision of a tract of land ~~of five acres or less in area~~ into five or fewer lots and involving no new public or private streets or roads, right-of-way dedication, easements, or utility extensions.

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

**SECTION TWO.** Any person violating the provisions of this ordinance shall be subject to the penalties set forth in Section 91.99 of the Subdivision Regulations.

**SECTION THREE.** All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

**SECTION FOUR.** If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

**SECTION FIVE.** The enactment of this ordinance shall in no way affect the running of any amortization provisions or enforcement actions, or otherwise cure any existing zoning violations.

**SECTION SIX.** This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted this 10<sup>th</sup> day of May, 2011.

<p><b>PUBLIC HEARING ORDINANCE NO. 11-05-10A AMENDING TITLE IX, CHAPTER 92, OF THE ZONING REGULATION OF THE TOWN OF LAKE LURE REGARDING NONCONFORMING SIGNS</b></p>
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Community Development Director Shannon Baldwin gave a brief overview and answered questions pertaining to Ordinance No. 11-04-12A amending Section 92.161(C)(2) of the Zoning Regulations of the Town of Lake Lure concerning nonconforming signs.

Mayor Pro Tem Turner opened the public hearing regarding proposed Ordinance No. 11-04-12A and invited citizens to speak during the public hearing; no one requested to speak.

After discussion, Commissioner Moore made a motion to close the public hearing. Commissioner Hyatt seconded the motion and the vote of approval was unanimous.

<b>CONSIDER ADOPTION OF ORDINANCE NO. 11-05-10A AMENDING TITLE IX, CHAPTER 92, OF THE ZONING REGULATION OF THE TOWN OF LAKE LURE REGARDING NONCONFORMING SIGNS</b>
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Public notices were duly given and published in the Forest City Daily Courier newspaper.

After discussion, Commissioner Hyatt made a motion to adopt Ordinance No. 11-05-10A amending Title IX, Chapter 92, Section 92.161(C)(2) of the Zoning Regulations of the Town of Lake Lure regarding nonconforming signs. Commissioner Silvey seconded the motion and the vote of approval was unanimous.

**ORDINANCE NUMBER 11-05-10A**

**AN ORDINANCE AMENDING §92.161(C)(2) OF THE ZONING REGULATIONS OF THE TOWN OF LAKE LURE CONCERNING THE MAINTENANCE OF NONCONFORMING SIGNS**

**WHEREAS**, the Zoning and Planning Board has recommended modifications to Zoning Regulations of the Town of Lake Lure as noted in the title of this ordinance; and

**WHEREAS**, the Zoning and Planning Board finds that the proposed ordinance, being administrative in nature, is neither consistent nor inconsistent with the Town of Lake Lure 2007-2027 Comprehensive Plan; and

**WHEREAS**, the Town Council of the Town of Lake Lure finds that this ordinance is in the public interest inasmuch as it provides a reasonable means of business identification in those instances when new businesses replace existing businesses; and

**WHEREAS**, the Lake Lure Town Council, after due notice, conducted a public hearing on the 10<sup>th</sup> day of May 2011, upon the question of amending the Zoning Regulations in this respect.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAKE LURE, NORTH CAROLINA, MEETING IN REGULAR SESSION AND WITH A MAJORITY OF THE COUNCIL MEMBERS VOTING IN THE AFFIRMATIVE:**

**SECTION ONE.** Paragraph (C)(2) of §92.161 of the Zoning Regulations of the Town of Lake Lure, concerning the maintenance of nonconforming signs, is hereby amended as follows:

- (2) All nonconforming signs shall be maintained in accordance §92.159 but shall not be:
  - (1) Changed or replaced with another nonconforming sign except that ~~copy may be changed on~~ an existing sign may be replaced to reflect a change in business

identification so long as the replacement sign is in the same general location and the size of the replacement sign face does not exceed that of the existing sign;

[ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~.]

**SECTION TWO.** Any person violating the provisions of this ordinance shall be subject to the penalties set forth in Section 92.999 of the Zoning Regulations.

**SECTION THREE.** All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

**SECTION FOUR.** If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed severable and such holding shall not affect the validity of the remaining portions hereof.

**SECTION FIVE.** The enactment of this ordinance shall in no way affect the running of any amortization provisions or enforcement actions, or otherwise cure any existing zoning violations.

**SECTION SIX.** This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted this 10<sup>th</sup> day of May, 2011.

#### **PUBLIC FORUM**

Mayor Pro Tem Turner invited the audience to speak on any non-agenda item and/or consent agenda topics. No one requested to speak during public forum.

#### **STAFF REPORTS**

Town Manager Christopher Braund presented the town manager's report dated May 10, 2011. (Copy of the town manager's report is attached)

#### **COUNCIL LIAISON REPORTS & COMMENTS**

Commissioner Moore reported on the activities of the Zoning/Planning Board.

Commissioner Turner reported on the activities of the Parks and Recreation Board.

Commissioner Silvey reported on the activities of the Lake Advisory Board and the Lake Lure ABC Board.

Commissioner Hyatt reported on the activities of the Lake Lure Board of Adjustment/Lake Structures Appeal Board.

<b>CONSENT AGENDA</b>
-----------------------

Mayor Pro Tem Turner presented the consent agenda and asked if any items should be removed before calling for action.

Commissioner Moore moved, seconded by Commissioner Silvey, to approve the consent agenda items as presented. Therefore, the consent agenda, incorporating the following items were unanimously approved and adopted:

- a. minutes of the April 12, 2011 (Regular Meeting), April 29, 2011 (Special Meeting) and unseal minutes of closed session meeting held on March 25, 2011;
- b. Resolution No. 11-05-10 amending Resolution No. 92-03-24 changing the term of appointment for the Lake Advisory Board from two years to three years and adding a provision for attendance;

**RESOLUTION NO. 11-05-10**

**A RESOLUTION TO AMEND RESOLUTION NO. 92-03-24 WHICH  
CREATED THE LAKE ADVISORY BOARD; CHANGE TERM OF  
BOARD MEMBER APPOINTMENT; ADD A PROVISION FOR  
ATTENDANCE**

**WHEREAS**, the aforesaid Resolution No. 92-03-24 was duly adopted by the Town Council of Lake Lure, North Carolina on March 24, 1992 creating a Lake Advisory Committee which is now referred to as the Lake Advisory Board (board name amended by Resolution No. 08-01-08A) ; and

**WHEREAS**, at the recommendation of the Lake Advisory Board, the Town Council finds it desirable to change the terms for Lake Advisory Board members and add a provision for attendance; and

**NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE  
TOWN OF LAKE LURE, NORTH CAROLINA:**

**SECTION 1.** That section 4: of Resolution No. 08-01-08A be amended to read:



**Section 4:** That the term of appointment of each member shall be for ~~two~~ three years, and terms of all members shall not expire at the same time.

{ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~}

**SECTION 2.** That section 10 shall be renumbered as "Section 11" and new section 10 be added as follows:

**Section 10:** Attendance requirement: any board member who is absent from three consecutive regularly scheduled meetings in a calendar year, and/or a total of four meetings in a calendar year may be subject to removal off the Lake Advisory Board by Town Council.

{ADDITIONS TO TEXT ARE UNDERLINED; DELETIONS ARE ~~STRUCK THROUGH~~}

**SECTION 3:** Effective date.

This resolution shall be effective upon its adoption.

Adopted this the 10<sup>th</sup> day of May, 2011.

- c. a contract with Carter, P.C. for audit services for fiscal year July 1, 2011 through June 30, 2012 as submitted by Finance Director Sam Karr; Also, authorize the mayor and finance officer to sign this contract on behalf of the town;
- d. a mutual aid agreement between Lake Lure Fire & Rescue and Rutherford county fire departments as submitted by Fire Chief Ron Morgan; Also, authorize the mayor, fire chief and town clerk to sign this contract on behalf of the town; and
- e. a mutual aid agreement between Lake Lure Fire & Rescue and Sunny View Fire Department as submitted by Fire Chief Ron Morgan; Also, authorize the mayor, fire chief and town clerk to sign this contract on behalf of the town.

**End of Consent Agenda.**

<b>UNFINISHED BUSINESS:</b>
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<b>a. OTHER UNFINISHED BUSINESS</b>
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There was no other unfinished business.

<b>NEW BUSINESS:</b>
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**a. CONSIDER A REQUEST FROM TOM MCKAY FOR APPROVAL OF “DRAGON DUCKY DERBY” BEING HELD ON MAY 21, 2011**

Manager Braund read a letter from Tom and Carole McKay requesting permission to have a Dragon Ducky Derby alongside the Dragon Boat Festival being held on May 21, 2011. The letter from the McKays stated that they will make certain that all duckies are removed from the water as soon as the race is complete.

After discussion, Commissioner Moore made a motion to approve a request from Tom McKay to hold the Dragon Ducky Derby event on May 21, 2011. Commissioner Silvey seconded the motion and the vote of approval was unanimous.

**NEW BUSINESS:**

**b. DISCUSSION REGARDING ENFORCEMENT PROCEDURES FOR RESIDENTIAL VACATION RENTALS (RVRs) OPERATING WITHOUT A VACATION RENTAL OPERATING PERMIT (VROP) OR PENDING APPEAL**

Community Development Director Shannon Baldwin stated that to date 183 Residential Vacation Rentals (RVRs) have been identified. Four of those properties advertised as RVRs have failed to return staff attempts to contact them to gain compliance with the regulations. An additional three properties identified as not being in compliance have appealed to Rutherford County Superior Court and are pending hearing. The hearings are currently scheduled for June 13, 2011. Mr. Baldwin stated that the date for the hearings continues to be pushed out and suggested that the community development department set a definite date and move forward with enforcement on that date.

Attorney Callahan described the appeals court process and stated that it could take at least another year for the cases that are pending appeal in Rutherford County Superior Court to complete the appeals process. He suggested that community development staff pursue enforcement of the town's vacation rental regulations.

Zoning Administrator Sheila Spicer reviewed a letter that she sent out in July of 2010 and stated that there were only four owners of properties identified as noncompliant RVRs that had not responded to the letter.

Town council agreed that community development staff should establish a date and move forward with enforcement of the residential vacation rental regulations as they are written. Town council agreed with Community Development Director Shannon Baldwin that the established date would be set at 60 days prior to this meeting.

**NEW BUSINESS:**

**c. CONSIDER A REQUEST FROM THE 1927 LAKE LURE INN AND SPA TO RENT THE TOWN'S GAZEBO TO LAKE LURE PROPERTIES, LLC IN GROUP BLOCKS DURING THE MONTHS OF MARCH THROUGH NOVEMBER 2012 (EXCLUDING TIMES FOR PUBLIC EVENTS SUCH AS THE DRAGON BOAT FESTIVAL AND THE DIRTY DANCING FESTIVAL)**

Lake Lure Inn and Spa's Events Sales Manager Heather Alley and Event Department Manager Patrick Bryant answered questions regarding a request from the 1927 Lake Lure Inn and Spa to rent the town's gazebo to Lake Lure Properties (LLP) for 23 Saturdays and 3 Sundays during the months of March through November 2012 at the gazebo's regular rental rate of \$300 per day. (Copy of request from Heather Alley and Patrick Bryant is attached)

Lake Lure Inn staff also requested to make payment of 50% (\$3,900.00) of the total reservation fee (26 dates X \$300 = \$7,800.00) immediately upon approval and remit the remaining balance (\$3,900.00) by January 10, 2012. Any additional dates reserved by Lake Lure Inn in 2011 or during 2012 would be paid in full at the time of reservation.

After discussion, Commissioner Hyatt made a motion to approve the request from the 1927 Lake Lure Inn and Spa to rent the 26 dates listed in the request from Lake Lure Inn and to allow Lake Lure Properties, LLC to pay 50% of the rental fee immediately and the remaining 50% by January 10, 2012. Commissioner Moore seconded the motion and the vote of approval was unanimous.

**NEW BUSINESS:**  
**D. BOARD APPOINTMENT – ZONING & PLANNING BOARD**

Mayor Pro Tem Turner stated that there were three candidates to fill the remainder of Dick Washburn's term on the Zoning and Planning Board. She invited the audience to make additional nominations and asked if anyone would like to speak on the topic.

One of the candidates, Ric Thurlby, introduced himself to council.

Vice-Chair of the Zoning and Planning Board, Paula Jordan, expressed the importance of continuing the preservation of the Town of Lake Lure in regard to the town's comprehensive plan. She mentioned that Vic Knight has worked along the lines of this comprehensive plan in the past.

After discussion, Council members voted by nominations. Commissioner Hyatt and Commissioner Moore nominated Bruce Barrett to fill the remainder of Dick Washburn's position on the Zoning and Planning Board with a term expiring December 31, 2011. Commissioner Silvey and Commissioner Turner nominated Vic Knight.

Since two candidates received an equal number of town council's votes and Mayor Keith was absent from the meeting and unable to cast the determining vote, no appointment was made.

After discussion Commissioner Hyatt made a motion to table the Zoning & Planning Board appointment until the next regular council meeting being held on June 14, 2011. Commissioner Moore seconded the motion and the vote of approval was unanimous.

<b>PUBLIC FORUM</b>
---------------------

Town Council agreed to reopen public forum.

Niels Lausten, owner of the Riverside Pavilion Restaurant requested to speak. He stated that since his comments would take longer than the time allotted for public forum, he had prepared a written letter. Mr. Lausten asked if he could distribute the letter to council members and citizens in the audience.

Mr. Lausten complimented the professionalism of Community Development Director Shannon Baldwin and Zoning Administrator Sheila Spicer and then said he would leave the rest of his comments to the letter he provided. (Copy of letter from Niels Lausten dated May 10, 2011 attached)

<b>ADJOURN THE MEETING</b>
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With no further items of discussion, Commissioner Moore made a motion to adjourn this meeting at 8:20 p.m. Commissioner Hyatt seconded the motion and the vote of approval was unanimous.

ATTEST:

\_\_\_\_\_  
Andrea Calvert  
Town Clerk

\_\_\_\_\_  
Mayor Pro Tem Linda Turner

**MINUTES OF THE SPECIAL MEETING BUDGET WORKSHOP OF THE LAKE LURE TOWN COUNCIL HELD TUESDAY, MAY 24, 2011, 8:00 A.M. AT THE LAKE LURE MUNICIPAL CENTER**

**PRESENT:** Mayor Bob Keith  
Commissioner Mary Ann Dotson Silvey  
Commissioner Wayne Hyatt  
Commissioner John W. Moore  
Commissioner Linda Turner

Christopher Braund, Town Manager  
Sam Karr, Finance Director  
Ron Morgan, Fire Chief

**ABSENT:** J. Christopher Callahan, Town Attorney

**CALL TO ORDER**

Mayor Keith called the meeting to order at 8:00 a.m.

**INVOCATION**

Commissioner Hyatt gave the invocation.

**APPROVE THE AGENDA**

A motion was made by Commissioner Turner to approve the agenda as presented. Commissioner Silvey seconded the motion and the vote of approval was unanimous.

**REVIEW AND DISCUSSION OF THE DRAFT BUDGET FOR FISCAL YEAR 2011-2012**

Lake Lure Fire Chief Ron Morgan was present and discussed with Town Council the proposed budget for the fire department.

It was the consensus of Town Council to deduct \$5,000 from the amount to be paid to each fire department providing paid mutual aid to Lake Lure Municipal Fire Department for fiscal year 2011-2012, including Fairfield Mountains Fire Department, Chimney Rock Fire Department, and Bill's Creek Fire Department; also remove 5% from the proposed budget for Lake Lure Municipal Fire Department and other town departments.

Mayor Keith recessed the meeting for a break at 9:45 a.m. and reconvened the meeting at

**Page 2 - Minutes of May 24, 2011 Special Meeting of the Town of Lake Lure Council**

9:55 a.m.

Council members decided to divide the budget to execute the Stormwater Drainage and Wetland Enhancement Plan for Morse Park in half and spread the project over multiple years; reducing the amount budgeted to the parks and recreation department for Morse Park improvements for fiscal year 2011-2012 to \$40,000 and delaying funding for the other half of the project.

Manager Braund presented a list of all town fees and rates. Council members held discussion pertaining to the fee schedule and ways to potentially increase revenue to cover increasing expenses. Council members directed Manager Braund to draft a revised fee schedule, adding necessary rate and fee increases.

Council members discussed the idea of removing the dumpsters located behind the maintenance building to reduce garbage collection cost and to avoid the cost of constructing a proposed fence to restrict access to the dumpsters.

Manager Braund agreed to prepare a proposal outlining all costs related to the dumpsters and potential changes to the town's public dumpster arrangement.

Manager Braund also agreed to work with town staff to find ways to reduce the budget for each department and to make the revisions agreed upon by town council to the proposed budget.

<b>ADJOURN THE MEETING</b>
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With no further items of discussion, Commissioner Turner made a motion to adjourn the meeting at 12:30 p.m. Commissioner Moore seconded the motion and the vote of approval was unanimous.

ATTEST:

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Andrea Calvert  
Town Clerk

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Mayor Bob Keith



***Agenda Item: 12b***



Incorporated 1927

# Town of Lake Lure

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P. O. Box 255 • Lake Lure, NC 28746-0255 • 828/625-9983 • FAX 828/625-8371

## MEMORANDUM

To: Mayor & Town Council  
From: Sam A. Karr, Finance Director *SAK*  
Subject: Budget Amendment-Water/Sewer Fund  
Date: June 8, 2011

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The Water & Sewer Fund was hit hard this year with repairs to both departments. Water had repairs to equipment and some professional services that caused overruns and Sewer had repairs to equipment by electrical failures.

**A motion to move \$10,000 to each department should cover any budget excess, for a total of \$20,000 from Water/Sewer Fund Balance-Equity would be required.** As of information, any excess would be automatically returned to the Fund Balance/ Equity in the Water & Sewer Fund at the end of the year. Also, we added an additional \$155,000 to the fund from a lawsuit settlement.

If you have any questions, please feel free to contact me.



*Agenda Item: 12c*



Incorporated 1927

# Town of Lake Lure

P. O. Box 255 • Lake Lure, NC 28746-0255 • 828/625-9983 • FAX 828/625-8371

## MEMORANDUM

To: Town Manager, Mayor & Town Council  
From: Sam A. Karr, Finance Director *SAK*  
Subject: Budget Amendment-Hydro-Electric Fund  
Date: June 8, 2011

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We've had a few major repairs to the Hydro-plant which has caused the fund to exceed budget. However, we have also generated more than anticipated in revenues to offset these expenditures. If this is acceptable, we need a **motion to increase hydro-electric revenues by \$50,000 and increase expenditures by \$50,000 to balance the budget in the Hydro-electric Fund.** This budget adjustment should address any overruns in the department.

Also, we didn't expend any of the Silt Removal monies out the Hydro-electric Fund. To make sure the town earmarks this money for future silt removal use, a budget amendment would need to be addressed. **A motion to transfer \$50,000 from Hydro-electric Fund-Silt Removal (#697) into the Town's Silt Reserve Fund** would be required. After this amendment, the Town's Silt Reserve Fund will have a balance of \$177,645.00. If you have any questions, please contact me at your convenience.

XC: Chris Braund, Town Manager



***Agenda Item: 12d***



Incorporated 1927

# Town of Lake Lure

P. O. Box 255 • Lake Lure, NC 28746-0255 • 828/625-9983 • FAX 828/625-8371

## MEMORANDUM

To: Mayor & Town Council  
From: Sam A. Karr, Finance Director *SAK*  
Subject: Budget Adjustment-General Fund Over-runs  
Date: June 8, 2011

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As we are winding down the fiscal year we need to clean up some over runs in the budget. Public Works had major equipment and vehicle repairs throughout the year which has caused an over run to the budget by about \$10k. If this is acceptable, a motion **to transfer \$10,000 from contingency (#970) into the Public Works Department (#351) M & R Equipment** would be required. Also, we had some repairs to the beach houses and to one of the gate entrances that have caused the beach dept. to expend more than budgeted. **A motion to transfer \$3,000 from contingency (#970) to Beach Dept.** will be required too. After these amendments, the balance in contingency will be \$12,417.00. If you have any questions, please contact me at your convenience.

Xc: Chris Braund, Town Manager  
Tony Hennessee, Public Works Director