

**MINUTES OF THE REGULAR WORK SESSION MEETING OF THE LAKE LURE
TOWN COUNCIL HELD WEDNESDAY, MAY 24, 2023, 8:30 A.M. AT THE LAKE LURE
MUNICIPAL HALL**

PRESENT: Mayor Carol C. Pritchett
Mayor Pro Tem David DiOrio
Commissioner Patrick Bryant
Commissioner Scott Doster

William Hank Perkins, Jr., Town Manager
William Morgan, Jr., Town Attorney
Michael Dydula, Project Manager
Brian Houston, PE, LaBella Associates
Stephen Ford, Finance Director
Laura Krejci, Communications Director
Michael Williams, Community Development Director

ABSENT: Commissioner Jim Proctor

I. CALL TO ORDER

Mayor Carol C. Pritchett called the work session to order at 8:30 a.m.

II. AGENDA ADOPTION

Town Manager Hank Perkins requested to add "Painting ABC Store and ABC Store Boat House Roof" as Item XIII. Commissioner David Commissioner DiOrio made a motion to add this as item 13. Commissioner Patrick Bryant seconded and all voted in favor.

Commissioner DiOrio made a motion to adopt the agenda, as amended. Commissioner Scott Doster seconded and the motion carried 3-0.

III. REVIEW DRAFT PROCUREMENT POLICY AND CARD POLICY

Manager Perkins noted that the card policy had been reviewed previously and there were no changes, but there have been refinements to the procurement policy. Manager Perkins detailed that Town staff crafted the procurement policy using language from other jurisdictions, and that the policy covers procurement of good and contracts for maintenance repairs. Manager Perkins added that the policy also covers RFQs, includes the exemptions discussed last meeting, and other responsibilities. It was noted that Town staff will be required to utilize a requisition form and an invoice transmittal form for future purchases. Manager Perkins detailed the bidding clauses within the policy and noted that there is a section about uniform guidance for federal funds. Commissioner DiOrio asked if it the policy cover North Carolina General Statutes and Manager Perkins answered yes. Manager Perkins noted that Town staff hopes to have the policies on the agenda for approval at the June regular meeting. Commissioner DiOrio asked if Manager Perkins used this policy in his past municipality and Manager Perkins answered that he used a similar one. Manager Perkins explained that the 2018 procurement policy are so onerous and difficult to follow that the Town cannot function with it, so he believes that over time it was not used at all because of this. Manager Perkins explained how this was extremely restrictive and difficult in the past. Manager Perkins noted the new policy relaxes a lot below \$30,000, but staff should still adhere to as much documentation as possible and will continue to try to get quotes at a certain threshold below the minimum requirement. Mayor Pritchett expressed that this policy will provide uniformity for staff, as well. It was noted that auditors will hold the Town to their policy, even if it is stricter than the general statutes.

IV. REVIEW SCHNABEL WORK ORDER NO. 7A, PROFESSIONAL DAM ENGINEERING SERVICES FOR THE RESERVOIR DRAIN CONSTRUCTION AT LAKE LURE DAM

Project Manager Michael Dydula explained that Schnabel Work Order No. 7A is for two pieces of work for the valves, one for the contractor and one for Schnabel construction administration. Project Manager Dydula detailed that the original fee for the work order was in the \$400,000 range, but when the valve installation contractor extended their schedule, the price increased and is now in the \$700,000 range. Commissioner DiOrio expressed that he wanted to ensure that Schnabel was not using unnecessary preparation time as a blanked inclusion and asked Project Manager Dydula if he thinks that the items that Schnabel have listed are necessary. Project Manager Dydula answered that Schnabel already removed unnecessary items that he had discussed with them, and noted that if it is determined that other items in the Work Order are not needed they will be omitted. Commissioner DiOrio asked when this will be approved and Manager Perkins answered this afternoon during the special meeting. Project Manager Dydula noted that the Town made the first payments to valve producers Steel-Fab and DeZURIK, and valves are starting to be made.

V. RUBY-COLLINS GMP UPDATE

Project Manager Dydula explained that when Ruby-Collins' GMP was boringly discussed this, there were a lot of questions and it was \$10 million to get work done from Sunset Cove to the Dam Cove. Project Manager Dydula since reviewed different options for the GMP and LaBella and Ruby-Collins were informed that that the drain valves will not be installed by the next drawdown. Project Manager Dydula recommended that a five month lake drawdown period would still be needed and that the Town should receive an updated GMP within the next week or two, in which the Town has asked that Ruby-Collins detail completing Sunset Cove. Project Manager Dydula requested that Ruby-Collins complete Sunset Cove and re-visit HDD syphons in the next drawdown. Project Manager Dydula noted that the project is very unique and that this should be conveyed to the public. Project Manager Dydula recommended build equally north and south and expressed that the Town's job will be easier once the first customers are hooked up on each side.

Commissioner Doster asked if Sunset Cove and 2 HDDs can be completed in the next drawdown if it is five months, and Project Manager Dydula answered yes. Doster asked if we want the short HDD across the dam and Project Manager Dydula answered yes. Commissioner Doster noted that the Town still has to get easements from certain property owners and that it is in progress, but it is not proving to be easy. Project Manager Dydula noted that he would like to be more involved in land related interactions. Manager Perkins noted that he would like to contact the trustee for one of the unsigned easements again, and detailed the history of interactions with the trustee. Project Manager Dydula suggested that Brian Houston with LaBella speak with the trustees' engineer as soon as possible. Commissioner DiOrio noted that the reason the dam marina is sitting unused now is because there is no sewer and Mr. Houston should be aware of this when he holds a discussion with the trustees' engineer.

Project Manager Dydula suggested that the Town still needs to proceed with work and noted that there is about a month or two left to speak with contractors about the HDD project. Project Manager Dydula recommended that one option, since the Town received no bids for the HDD project, is to have the HDD project included in Ruby-Collins' contract. Project Manager Dydula expressed that he thinks a five month drawdown would be used to finish Sunset Cove and that the HDDs could be done at the same time by another contractor under Ruby-Collins.

Manager Perkins noted that one issue to consider is if a boat house section needs to be moved at any point. Mr. Houston explained that would likely need to be in an easement. Project Manager Dydula asked if the Town would need to rebuild a lake structure if one must be removed. It was answered that the Town would need to replace a structure, in a reasonable sense.

Commissioner DiOrio expressed concern that the originally cost estimate for the GMP includes \$10 million for only 50 customers and expressed that is unrealistic goal. Commissioner DiOrio expressed need for a holistic analysis of costs. Project Manager Dydula noted that the Town has enough money to fund the project for three years, and suggested working with The Policy Group to lobby and obtain future funding. Commissioner DiOrio noted that the Town needs to show progress and have detailed analysis completed before any other outside funding is received. Council and staff discussed the SRF loan and Finance Director Ford expressed that he is in communication with contacts in regard to the loan. Manager Perkins noted that Town can work

with LaBella and Ruby-Collins to craft an analysis and ask for additional funding within the next three years, after some work is completed, and The Policy Group will lobby to obtain the Town additional funding. Mayor Pritchett noted the need to focus on completing what was previously agreed upon. Mayor Pritchett added that it is a matter of trust, and that the project must continue moving forward for the Town. Commissioner Doster asked if HDD could be done at dam marina this drawdown and it was noted that LaBella can follow-up on this question. Commissioner DiOrio expressed that the cross Lake HDD should be postponed while determining work in the north and south ends, but suggested start groundwork for the south with syphons. Project Manager Dydula noted that if the GMP update suffices to the Town, that as much work should be done as possible.

Council discussed easements for the HDD project and Manager Perkins noted that four out of seven easements have been executed. Commissioner DiOrio expressed the importance of knowing whether or not boat houses will need to be removed for the project. Project Manager Dydula noted the house bill in regard to borings and pilings and language in Lake Use Regulations. Project Manager Dydula noted that the Occupational Safety and Health Administration (OSHA) allows workers to be under a lake structure, but not under a boat. Project Manager Dydula noted that the Town could either require everyone to remove their boats when work is being done in their section of the lake or try to best estimate which individual ones need to be removed. It was suggested that there is no issue with asking owners to remove their boats once, but the Town should pay if the owner is asked to do so more than once. Commissioner Doster noted that the Town should be able to find out who out of the remaining property owners in Sunset Cove will have their boats in the water and Communications Director Laura Krejci noted that she likely has that information and added that some property owners have multiple boats. Commissioner DiOrio suggested reviewing which boats need to be removed and Project Manager Dydula said that Ruby-Collins is looking into this. Commissioner DiOrio expressed that he thinks it will be more cost effective to identify what boats should be removed instead of having them all removed. Mayor Pritchett recommended discussing a bulk rate with local marinas to remove boats. Manager Perkins asked if there is a way to put boat removals under Ruby-Collins' contract. Manager Perkins suggested that if it cannot be under Ruby-Collins' contract and the Town must remove boats, the Town needs to investigate whether or not it reimbursable cost through ARPA and SRF funding, and follow necessary procurement methods. Manager Perkins recalled a past discussion took place in which it was stated that property owners should remove their boats the first time, but the Town pay any additional times. Manager Perkins recommended that if this happens, the Town should get proposals for removing the boats and work with homeowners to have this done, but if homeowners want a different company than the one selected through the proposal, they will have to do it themselves. Commissioner DiOrio agreed. It was noted that the Town should examine which boats need to be removed and then look into services. It was also noted that this will be done on a drawdown by drawdown basis. Mayor Pritchett noted that some decisions cannot be made until an updated GMP is available.

Project Manager Dydula and Mr. Houston will follow-up on recommendations. Manager Perkins noted that there will likely be questions from Sunset Cove about stub outs. Manager Perkins noted that the Town can adopt a policy for availability fees. Mayor Pritchett expressed the need to hold a community meeting with open forum with all residents after Sunset Cove is completed.

Mayor Pritchett noted the importance of handling land acquisition moving forward and Council discussed. Mr. Houston expressed that there are not many properties being impacted in the construction project.

Project Manager Dydula asked Mr. Houston if he agrees that the Town should complete Sunset Cove and complete a number of small HDDs in the upcoming drawdown, if possible. Mr. Houston agreed. Commissioner DiOrio noted that his only concern was the cross lake HDDs and Mr. Houston noted that the cross lake HDDs cannot be completed until drain vales are installed anyways. Mr. Houston discussed communicating with contractors for the HDD project and noted that he would follow-up. Mr. Houston discussed the issues that contractors have expressed in regard to the risk involved in the HDD project and estimated that about half of the bid would have been for risk according to the contractor he spoke with. Mr. Houston previously asked if the price of the HDD project could decrease significantly without risk and Ken Pohlig with the North Carolina Department of Environmental Quality (DEQ) answered yes. Mr. Houston discussed possible ways to mitigate risk on the companies, one of which include DEQ covering costs. Mr. Houston recommended holding a meeting with key parties and proceed with interested companies. Mr. Houston stated that he will begin holding discussions.

VI. DISCUSS LAKE DRAWDOWN SCHEDULE

Mayor Pritchett stated that the lake drawdown schedule is somewhat dependent upon the GMP. Project Manager Dydula recommended starting the drawdown on November 1st and begin refilling on March 31st. Mayor Pritchett expressed that she thinks that this would be a viable option if there is enough work to complete during that time. Project Manager Dydula expressed that five months is needed regardless, and noted the time that will be needed to mobilize and re-mobilize. Mayor Pritchett noted drawdown work needs to be identified and communicated. It was noted that if work was completed prior to March 31st, the Town could begin refilling the lake early. Mr. Houston noted that Ruby-Collins can work until they run out of ground and that he is examining all of the work that could be done in the drawdown. Council expressed that they are in support of a five month drawdown if it will be productive.

VII. DISCUSS SUNSET COVE MEETING

Mayor Pritchett noted that this was discussed previously in the meeting.

Mayor Pritchett called for a five minute break.

VIII. REVIEW SCHNABEL PARTIAL WORK ORDER NO. 9A, FIELD INVESTIGATION SERVICES FOR REPLACEMENT OF LAKE LURE DAM

Project Manager Dydula explained that around a year ago, there was a proposal for \$1.4 million work order for Schnabel to do field work for the dam. Project Manager Dydula expanded that the work order has since been portioned out and grants were added to the scope. Project Manager Dydula explained that there are now two field work proposals and that it is due to grant

work. Project Manager Dydula expressed that he had asked Jonathan Pittman with Schnabel if all work for \$1.4 million would be needed, and it was concluded that and that the overall proposal was reduced to \$1.1 million.

Communications Director Laura Krejci noted that the Town had been verbally notified that the Town will be awarded a FEMA grant for 65% of the \$655,000 in work order 9A. Director Krejci noted that the grant process is lengthy and some applicants drop out, so she had notified FEMA that the Town would like to be considered for any additional funds. Director Krejci noted that there is a contract that will need to be signed. Manager Perkins noted that the initial scope that was submitted in 2021 and that the Town is just now receiving a response in regard to the grant, but the scope must be the same as was originally submitted to FEMA for the grant which is why work order 9 is being separated into two work orders. Manager Perkins noted that the contract work from FEMA must be executed and then the Town may proceed with approving and executing the work orders. Commissioner DiOrio expressed the importance of getting the dam design completed. Project Manager Dydula summarized that the main idea is that between 9A and 9B, all field investigations will be allowed. Manager Perkins noted that his hope for part of the geotechnical is learning more about property acquisitions. Project Manager Dydula noted that the dam design will take a while to complete, but other work will be in progress simultaneously.

Mayor Pritchett asked if Project Manager Dydula had heard from North Carolina Department of Transportation (DOT) in regard to the replacement dam bridge because it could impact the design of the dam. Project Manager Dydula reported that the DOT is behind, but he is staying in communication with them on this matter.

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| IX. REVIEW SCHNABEL PARTIAL WORK ORDER NO. 9B, FIELD INVESTIGATION SERVICES FOR REPLACEMENT OF LAKE LURE DAM |
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This item was previously discussed.

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| X. DISCUSS TDA LEASE AMENDMENT |
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Manager Perkins noted that the Town's draft of the Rutherford County Tourism Development Authority (TDA) lease agreement was provided to the TDA at least a month before it was approved by Council. Manager Perkins added that the TDA was aware that Council would be approving the lease agreement, but the TDA board was just now able to review and provide minor edits. Manager Perkins noted that the edits are not substantive and Town Attorney William Morgan advised that approving the amendments will not require another advertisement. There was consensus from Council approve the proposed edits to the TDA lease agreement under the consent agenda at the regular meeting in June.

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| XI. PROJECT UPDATES |
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Manager Perkins asked if Project Manager Dydula the status of working with Odom Engineering for dredging bids and Project Manager Dydula answered that he was behind, but it will be done in the near future. Project Manager Dydula announce that he is almost done with PE license. Commissioner DiOrio asked about the deep water access project and Project Manager Dydula

explained that no staff had expressed that it is needed at this time and that a retaining wall to contain the embankment would suffice for now. Commissioner DiOrio expressed that the Town should proceed with the access ramp. Staff and Council discussed options for the access ramp. Commissioner Doster asked if a retaining wall could be done now and Project Manager Dydula answered yes. Commissioner Doster asked if the Town would need to concrete during drawdown and Project Manager Dydula answered that it could be done outside of the drawdown period as well. Commissioner DiOrio requested that Project Manager Dydula provide Council with options for the ramp and expressed support for the retaining wall. Manager Perkins reported that he had signed the Water System Management Plan and returned it to the state and there is a 30 day notice sent for approval. Project Manager Dydula noted that there is a proposal from LaBella for cover at Washburn Marina because the state has said that it is not a vector friendly cover and that it needs to be. Commissioner Bryant expressed concern in regard to the dredging decommission currently taking place.

XII. TOWN MANAGER UPDATES

There were no additional updates.


XIII. PAINTING ABC STORE AND ABC STORE BOAT HOUSE ROOF

Manager Perkins noted that there is a running budget item for police HVAC and it has not been used, nor is there eminent need for repair. Manager Perkins noted past discussions on repurposing budget money. It was noted that there is \$15,000 funded for the police HVAC and Public Services Director Dean Lindsey had looked at the costs for improving painting, gutters, and the boat house roof at the former ABC store location and that it would cost about \$14,900. It was recommended that the unused funds for the HVAC could cover these expenses. There was consensus from Council to proceed. Commissioner DiOrio noted that HVAC line item is included in the upcoming budget and Finance Director Stephen Ford stated that he would review whether or not it is needed. Commissioner Doster asked if Town staff is doing all other necessary improvements to the ABC Store to make it look nice and Manager Perkins answered yes. Commissioner DiOrio expressed that there is a need to advertise for Request for Proposals (RFPs) for the building sooner than later. Manager Perkins noted that the Town should receive the rent rate study for the building within the next week or two.

XIV. ADJOURNMENT

Commissioner Bryant made a motion to adjourn. Commissioner DiOrio seconded and all voted in favor. The meeting was adjourned at 10:40 a.m.

ATTEST:


Olivia Stewman, Town Clerk


Mayor Carol C. Pritchett

