



**MINUTES OF THE REGULAR WORK SESSION MEETING OF THE LAKE LURE  
TOWN COUNCIL HELD WEDNESDAY, JUNE 28, 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  
Commissioner Jim Proctor

William Hank Perkins, Jr., Town Manager  
William Morgan, Jr., Town Attorney  
Michael Dydula, Project Manager  
Dustin Waycaster, Fire Chief  
Stephen Ford, Finance Director  
Michael Williams, Community Development Director  
Laura Krejci, Communications Director

**ABSENT:**

**I. CALL TO ORDER**

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

**II. AGENDA ADOPTION**

Commissioner Bryant made a motion to adopt the agenda, as amended. Commissioner DiOrio seconded and the motion carried 4-0.

**III. VALVE INSTALLATION AND GMP UPDATE**

Project Manager Michael Dydula explained that he had a meeting with both engineers and contractors for the dam valve project and sewer project. It was noted that Morgan Corporation, reservoir drain valve contractors, were concerned about getting the barge and crane into the water

with the lake drawn down. It was also noted that Morgan Corporation had been experiencing issues obtaining a bulk head cover, so they are in the process of modifying the design of the bulk head and do not anticipate getting the bulk head until December. Project Manager Dydula explained that due to Morgan Corporation's concerns, he asked Ruby-Collins about the possibility of having the lake drawdown for only three months. It was noted that the procurement of the bulk head is driving the schedule, and the Town cannot draw the lake down until Morgan Corporation is able to place their barge and crane into the water. Project Manager Dydula added that he asked Ruby-Collins to provide him with a new GMP that would not include borings, and expressed that he hopes to get update this week in regard to both a new GMP and the bulk head. Commissioner Doster asked for verification that Project Manager Dydula is now suggesting a three month drawdown period including only the Sunset Cove GLS completion and Project Manager Dydula answered that is his suggestion as of right now, but he is not comfortable with making the decision at this time. Commissioner DiOrio asked for verification that the Town cannot draw the lake down until Morgan Corporation has the bulk head and Project Manager Dydula verified that Commissioner DiOrio is correct. Commissioner DiOrio noted that the lake level is independent of valve installation, so if the drain valve is not completed at by end of March it does not matter for Morgan Corporation and Project Manager Dydula confirmed that refilling the lake is independent of the valve installation. Project Manager Dydula discussed that the schedule bid by Morgan Corporation had changed from January to February. It was summarized that the valve should be available in December, Morgan Corporation will get their barge on the lake, the Town will begin Lake Drawdown, Ruby-Collins will begin work, and when Ruby-Collins completes their work the Town will begin refilling the lake. Commissioner DiOrio expressed that he wants to know how this impacts the price of the GMP. Project Manager Dydula expressed that he hopes that once the valves are installed this year, the Town will begin working heavily on the sewer project. Project Manager Dydula advised that Morgan Corporation will begin staging some equipment for temporary access after the 4<sup>th</sup> of July. It was noted that in conjunction with the drawdown, Project Manager Dydula will be meeting with HDD contractors in the near future. Project Manager Dydula expressed that in the best case scenario the installation of the valves, GLS, and HDD will be in progress during the drawdown period. It was noted that the drawdown schedule should not be changed until more information is available. Project Manager Dydula explained that he should have update by the end of the week.

#### **IV. REVIEW PROPOSED LABELLA TASK 18 – GEODESIC DOME TANK COVER**

Project Manager Dydula noted that water tank 20 has an old wooden cover with shingles and that the North Carolina Department of Environmental Quality (DEQ) is advising that it is getting dilapidated. It was explained that LaBella Associates has recommended a geodesic dome cover for the tank as a solution. Project Manager Dydula noted that plexi-glass could be used to avoid cutting trees. It was noted that this will be on the regular July meeting agenda for approval.

#### **V. PROJECT MANAGER UPDATES**

Project Manager Dydula announced that the Town will hold a pre-bid meeting on July 11<sup>th</sup> for the Tryon Bay house removal and will try to open bids on July 25<sup>th</sup>.

Project Manager Dydula noted that he will be participating a big safety meeting with Morgan Corporation this morning.

Commissioner DiOrio asked about the status of the water system management plan. Town Manager Perkins explained that he had signed final paperwork for the water system management plan. It was agreed upon that Project Manager Dydula will further follow up with Public Services Director Dean Lindsey and Brian Houston with LaBella. Commissioner DiOrio asked if this is the last element needed for the Firefly Cove water system project and Manager Perkins expressed that he believes that this is the final element needed.

Commissioner Proctor asked if the plastic will be clear for the geodesic dome and Project Manager Dydula explained that he is not exactly sure what LaBella has in mind, but a few options will be examined. Commissioner Proctor expressed concern with the appearance of the cover, if trees are cut.

<b>VI. DISCUSS EMERGENCY SHELTER / LAKE LURE CLASSICAL ACADEMY CAFETERIA</b>
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Manager Perkins summarized that Communications Director Laura Krejci attended a meeting at Lake Lure Classical Academy (LLCA) and was approached by the academy to ask if the Town would like to reaffirm looking at the designating LLCA as an emergency shelter. Manager Perkins expanded that the LLCA asked if the Town would be willing to participate in helping with new construction at the school. Manager Perkins provided information from Fire Chief Dustin Waycaster. Chief Waycaster explained that the Town would need to assist LLCA with power, the transfer switch, lighting, and heating system. Chief Waycaster noted that the transfer switch would be the biggest need in order to make LLCA an emergency shelter. Manager Perkins recommended discussing this matters with the LLCA's architect in regard to bids for transfer switch, wiring, and other elements. It was noted that it is the Town staff's opinion that a portable generator will suffice. It was also noted that bids would come back under the LLCA's bidding process and will include the base bid for necessities, an alternate for switch, lighting, and generator. It was recommended that the Town can then evaluate the level of involvement following the LLCA's bid process. Council expressed support for communicating with LLCA about this and re-evaluating in the future.

Mayor Pritchett asked how many people LLCA could accommodate as an emergency shelter and Chief Waycaster answered that he is not yet sure and that it would need to be determined through working with an architect. Commissioner Doster asked if something like this could have been used for the Party Rock fire and Chief Waycaster answered yes. Chief Waycaster noted that flood plains are setbacks for the current shelters and that emergency shelters are often used during weather events. It was explained that the Lake Lure Fire Department and Town Hall have backup generators, but the other shelters in the area do not. Commissioner DiOrio noted that the Public Works department is looking into purchasing a portable generator which could be used if a portable generator will suffice.

## **VII. BUDGET REVIEW**

Finance Director Stephen Ford noted that he wanted to follow-up from the last session in which budget options were discussed and option four was agreed upon. Director Ford reviewed the budget ordinance that will be addressed at the special meeting tonight. Director Ford expressed that he believes that objectives have been met. Manager Perkins noted that evening, he will take elements from his initial budget message and revise it to be up-to-date and read pertinent highlights during the staff report portion of the public hearing.

Commissioner DiOrio noted that he went back to the County budget and it was rolled-back a bit. Commissioner DiOrio expressed that the property tax re-evaluation has created a burden on Lake Lure tax base because of a huge increase going from the County. Commissioner DiOrio noted that the people of Lake Lure need to know that more money is going to the County, and that the Town is neutral. Commissioner DiOrio explained that if a resident's appraisal increased over 38% their taxes will increase. Commissioner DiOrio noted that the state shared revenue is going to increase by about 6% and the our rate in the county will increase around 20%, which will work in the Town's favor because the state should redistribute funds based on ad valorem value. Commissioner DiOrio expressed that the Town's budget is conservative. Commissioner DiOrio asked how much the general fund balance increased from this year to next year and Director Ford answered that it should increase by about \$300,000 and that it should increase each year. Director Ford expressed that the Town has a healthy fund balance. Commissioner DiOrio noted that the Town has maintained a revenue neutral posture and that the Town is not spending more money that has been considering growth, but residents will still see an increase in taxes due to the County.

## **VIII. REVIEW END OF FISCAL YEAR BUDGET AMENDMENTS**

Director Ford explained that there are three budget amendments that will be on the agenda during the special meeting later in the day and that the budget amendments are for ensuing proper bookkeeping and auditing purposes.

Director Ford explained that Budget Amendment #348 is for the purchase of two vehicles from public works that occurred last fiscal year, but fell into this fiscal year, so the payment process went past the accrual process. Director Ford added that the Town has the money, but the budget amendment is to ensure property bookkeeping for audit purposes.

Director Ford detailed that Budget Amendment #349 reflects that there were Town vehicles involved in accidents and insurance proceeds were required from the claims, but the Town also had increase in expenses, so the budget amendment authorizes the expense for the vehicle repair line item. Commissioner DiOrio asked if insurance does not cover it all and Director Ford explained that it is a bookkeeping measure and all expenses should be reimbursed through insurance. Commissioner Doster recalled that last year the Town decided to eliminate take home vehicles and asked this decision is being implemented. Manager Perkins answered yes, pursuant to the personnel policy. Director Ford noted that he had been tracking gas expenditures.

Director Ford noted that Budget Amendment #350 is also for bookkeeping. Director Ford

expanded that when the Town absorbed all expenditures of the sewer project, it was known that they would be reimbursed, but in a couple of instances fund balance transfers were approved for the time period before reimbursement. Director Ford noted that there was no increased cost, it is just for authorization of reimbursements that are not received before the end of the fiscal year. Council and staff discussed the funding source for Budget Amendment \$350.

#### **IX. DISCUSS FORMER ABC STORE PROPERTY NEEDS**

Manager Perkins explained that Director Lindsey had received a quote for painting the interior of former ABC Store building, and is going to request another quote for the flooring improvements. Manager Perkins provided Council with photos of the current state of the interior of the building. Manager Perkins asked if Council would like to make improvements before renting the building or leave it as is for the time being. Commissioner Proctor expressed support for painting the interior with a neutral color, but noted that it may not be beneficial to do floors. Other Council members agreed with the flooring. Commissioner Proctor recommending tearing off a portion of the existing flooring to see what the concrete is like underneath. Commissioner Doster expressed that the Town may not need to put money into painting the interior yet, as some details could be addressed in a lease. Commissioner Proctor expressed that any tenant is going to want to remove the existing wallpaper. Commissioner DiOrio asked if the Town will be doing anything with the building prior to entering into a lease. Manager Perkins noted the inspection of the property that Fire Chief Waycaster had completed, and pointed out that Chief Waycaster's findings are provided in the meeting packet. It was discussed that based on Chief Waycaster's finding, it is evident that the existing Community Hall located in Town Hall is a better spot for a community center than the former ABC Store location. Commissioner Doster expressed that he would rather enter into a lease sooner than later, rather than creating a temporary community hall. Council and staff discussed limitations for building use, which are especially evident for restaurant usage.

#### **X. DISCUSS FORMER ABC STORE PROPERTY MARKETING PLAN**

Manager Perkins provided Council with a marketing ad that he created for the lease of the former ABC Store property. Manager Perkins explained that Request for Proposals (RFPs) will be reviewed as they are received, there is no deadline in submitting RFPs, and the Town can make a decision when there is an RFP of interest. Manager Perkins asked if Council would like to include a rent price in the ad. Manager Perkins also asked if Council was interested in looking into including pool creek parking. Manager Perkins noted that he had received a question from someone asking if the Town would entertain the use of the boat ramp and docks where police boat is housed on the property. Commissioner DiOrio expressed support for the possibly use of the ramps, but not the docks. Commissioner Proctor expressed that if the lease can afford the Town new docks, it may be possible but otherwise he is not in favor of use of the docks. Commissioner Doster noted that a concession agreement may be necessary depending on what the property is used for. Council and staff discussed property acreage. Commissioner DiOrio noted that there is parking down road that could also possibly be utilized. Council discussed not excluding any options from RFPs. Staff and Council discussed local contractors' temporary use of the property's docks.

Manager Perkins stated that he had been working on minimum rent rate and gave the example that if the Town desired \$2,500 per month, that would be \$10/sq. ft. and the total would be \$30,000

per year. Manager Perkins noted that another aspect to consider is seasonal rent and explained that El Lago functions seasonally and rent is based on the total annual amount desired by the landlord. Mayor Pritchett expressed that it should be made clear that the amount that the Town decides to list in the ad is only the minimum and a higher rate may be expected. Commissioner DiOrio noted that the \$2,500 discussed is just for the building and if other assets of the property are utilized, it would need to be considered in the rent rate as well. Commissioner Proctor led discussion regard to possible uses and it was noted that everything is dependent what is offered in RFPs. Council agreed on \$2,500 as a minimum starting point for rent. Council members expressed support for the ad, with the addition of the minimum rent rate. Commissioner Proctor recommended adding lakefront to the property description.

Council expressed that they would like to review all RFPs submitted. It was noted that adjoining area use can be negotiated.

Commissioner Bryant noted that he does not want to negatively impact surrounding businesses with reducing public access to docks. Council discussed that this will not happen. It was also noted that the adjacent church takes up a significant amount of parking on Sundays.

## **XI. DISCUSS NEW ABC STORE LOCATION SIGNS**

Community Development Director Michael Williams explained that the ABC Store signage has been in progress and that ABC Store staff moved their two logos from the old Store location to the new location and placed them on the building walls. Director Williams noted that the Store also has a roof sign and that the Store will not be using a sign over the warehouse section because the Code of Ordinance only allows for one sign per business. Director Williams added that this rule also applies to the two logos that they brought from the old store location, but since it is sort of a quasi-governmental sign, it could be considered exempt due to the Town's governmental signage ordinance. Director Williams explained that governmental signs are exempt from the Town's sign regulations upon review from the Zoning and Planning Board and approval from Town Council. It was noted that the Zoning and Planning Board had reviewed the signs. Director Williams expressed that his personal recommendations recommendation, because of clutter discussions had by the Zoning and Planning Board, is to allow the red ABC letters on each side of the building but remove the liquor store signage at the bottom of the red letters.

Commissioner Proctor explained that the street signage and top of building signage is what can be seen from the street, but the attached letters cannot be seen until the parking lot is reached. Commissioner Proctor expressed that he has no issue with allow the signage to remain, as is.

Commissioner Doster noted that a spotlight sign was also discussed by the ABC Board and Council expressed that a spotlight sign would not be necessary or attractive. Commissioner Doster agreed to relay to the ABC Board that Council is not in favor of a spotlight sign.

There was consensus for support to allow the Store signs to remain, as is. It was noted that this will be officially approved at the next regular Council meeting.

Mayor Pritchett announced that the assistant ABC Store Manager, Earl Russell, had passed away yesterday and offered condolences.

## **XII. DISCUSS LAKE LURE TOURS CONCESSION AGREEMENT**

Manager Perkins explained that he had spoken with Mr. George Wittmer with Lake Lure Tours (LLT) in regard to maintenance responsibilities because the responsibilities are not completely clear in the existing Concession Agreement between the Town and LLT. Manager Perkins expanded that during the conversation, Mr. Wittmer offered an alternate proposal for LLT assume responsibility for all maintenance and repairs on site in exchange for an additional five years to the Concession Agreement. Manager Perkins noted that he spoke with Town Attorney William Morgan and it was proposed that the existing Concession Agreement be terminated and a new Concession Agreement be executed with exceptions that LLT will be responsible for all maintenance and it will be a 10 year Agreement. It was noted that one aspect to consider is that the Town may still need to obtain permits for any maintenance since the Town is the owner of the property. Commissioner Doster recommended adding verbiage that details that if any repairs or significant maintenance is made, the Town should have oversight and final approval and Attorney Morgan noted that it this is already included in the draft agreement. There was support from Council and Manager Perkins noted that minor improvements will be made to the draft and it will be on the agenda for approval at the July regular meeting.

## **XIII. DISCUSS FISCAL YEAR 23-24 SALARY GRADE SCHEDULE**

Manager Perkins explained that in his past experiences, the salary grade schedule was adopting as a part of the budget. Manager Perkins noted that the proposed Fiscal Year (FY) 2023-2024 Salary Grade Schedule in the packet is reflective of the 6.25% Cost of Living Adjustment (COLA) being recommended within the budget. There was consensus to approve the FY 23-24 Salary Grade Schedule at the regular meeting in July.

## **XIV. DISCUSS DANCING FESTIVAL**

Director Krejci noted that the Chamber of Hickory Nut Gorge is planning to hold a Dance Festival on September 16, 2023. Director Krejci explained that the Chamber would like to utilize Morse Park and the former dirty dancing festival would be used for scale to plan the event. It was detailed that the Chamber had proposed renting the space from September 15<sup>th</sup> through 17<sup>th</sup> for set up, the event, and clean up. Director Krejci noted that the Chamber would like to utilize the Town's parking and would need approval from the Town to charge for parking. Director Krejci added that the Chamber would also need a waiver for the peddler's ordinance and possibly a waiver for the noise ordinance. It was noted that that there will be tents, vendors, beer, and other activities. There was consensus to approve waivers at the regular July meeting. Commissioner DiOrio asked if Town staff would be providing services and Director Krejci explained that the Chamber had hired two off-duty officers to work the event along with their own service providers.

Director Krejci expressed that her only concern is ensuring that visitors who are not participating in the festival and are using areas outside of the rented area have access, such as use of the gazebo. Commission Bryant noted that there were barricades placed in the past to avoid this. Commissioner Doster advised against booking any weddings or rentals of the gazebo during the event.

**XV. TOWN MANAGER UPDATES**

There were no further updates from the Town Manager.

**XVI. CLOSED SESSION**

Commissioner Doster made a motion to enter into closed session in accordance with G.S. 143-318.11(a) (6) for the purpose of discussing personnel matters and G.S. 143-318.11(a) (3) for attorney client privilege. Commissioner seconded and all voted in favor.

During closed session, Town Council completed the Town Manager's performance evaluation, a real property lease proposal, and easements for the HDD Project.

Commissioner Proctor made a motion to return to open session. Commissioner Doster seconded and all voted in favor.

**XVII. ADJOURNMENT**

Commissioner Bryant made a motion to adjourn. Commissioner Doster seconded and all voted in favor. The meeting was adjourned at 11:25 a.m.

ATTEST:

  
Olivia Stewman, Town Clerk

  
Mayor Carol C. Pritchett

